
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended March 31, 2019

Commission File Number 001-00395



NCR CORPORATION
(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction of
incorporation or organization)

31-0387920
(I.R.S. Employer
Identification No.)

864 Spring Street NW
Atlanta, GA 30308
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (937) 445-5000

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

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See 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

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

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

Title of each class

Trading Symbol(s)

Name of each exchange on which registered

As of April 23, 2019, there were approximately 120.1 million shares of the registrant's common stock issued and outstanding.

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Part I. Financial Information
Item 1. FINANCIAL STATEMENTS

NCR Corporation
Condensed Consolidated Statements of Operations (Unaudited)

In millions, except per share amounts	Three months ended March 31	
	2019	2018
Product revenue	\$ 539	\$ 526
Service revenue	997	991
Total revenue	1,536	1,517
Cost of products	453	420
Cost of services	672	677
Selling, general and administrative expenses	252	245
Research and development expenses	59	66
Total operating expenses	1,436	1,408
Income from operations	100	109
Interest expense	(45)	(41)
Other expense, net	(8)	(5)
Income from continuing operations before income taxes	47	63
Income tax expense	9	7
Income from continuing operations	38	56
Loss from discontinued operations, net of tax	—	(35)
Net income	38	21
Net income attributable to noncontrolling interests	1	1
Net income attributable to NCR	\$ 37	\$ 20
Amounts attributable to NCR common stockholders:		
Income from continuing operations	\$ 37	\$ 55
Dividends on convertible preferred stock	(13)	(12)
Income from continuing operations attributable to NCR common stockholders	24	43
Loss from discontinued operations, net of tax	—	(35)
Net income attributable to NCR common stockholders	\$ 24	\$ 8
Income per share attributable to NCR common stockholders:		
Income per common share from continuing operations		
Basic	\$ 0.20	\$ 0.36
Diluted	\$ 0.20	\$ 0.35
Net income per common share		
Basic	\$ 0.20	\$ 0.07
Diluted	\$ 0.20	\$ 0.06
Weighted average common shares outstanding		
Basic	119.3	119.2
Diluted	122.2	123.8

See Notes to Condensed Consolidated Financial Statements.

NCR Corporation
Condensed Consolidated Statements of Comprehensive Income (Unaudited)

In millions	Three months ended March 31	
	2019	2018
Net income	\$ 38	\$ 21
Other comprehensive (loss) income:		
Currency translation adjustments		
Currency translation gains	19	19
Derivatives		
Unrealized gains (losses) on derivatives	1	(5)
Losses (gains) on derivatives recognized during the period	(1)	1
Less income tax (benefit) provision	—	—
Employee benefit plans		
Amortization of prior service benefit	(2)	(2)
Amortization of actuarial (loss) benefit	(1)	1
Less income tax benefit	—	1
Other comprehensive income	16	15
Total comprehensive income	54	36
Less comprehensive income attributable to noncontrolling interests:		
Net income	1	1
Amounts attributable to noncontrolling interests	1	1
Comprehensive income attributable to NCR	\$ 53	\$ 35

See Notes to Condensed Consolidated Financial Statements.

NCR Corporation
Condensed Consolidated Balance Sheets (Unaudited)

In millions, except per share amounts	March 31, 2019	December 31, 2018
Assets		
Current assets		
Cash and cash equivalents	\$ 414	\$ 464
Accounts receivable, net	1,335	1,356
Inventories	874	806
Other current assets	393	397
Total current assets	3,016	3,023
Property, plant and equipment, net	373	359
Goodwill	2,705	2,692
Intangibles, net	573	595
Operating lease assets	433	—
Prepaid pension cost	148	140
Deferred income taxes	453	448
Other assets	497	504
Total assets	\$ 8,198	\$ 7,761
Liabilities and stockholders' equity		
Current liabilities		
Short-term borrowings	\$ 297	\$ 185
Accounts payable	788	897
Payroll and benefits liabilities	184	238
Contract liabilities	566	461
Other current liabilities	546	501
Total current liabilities	2,381	2,282
Long-term debt	2,914	2,980
Pension and indemnity plan liabilities	760	759
Postretirement and postemployment benefits liabilities	120	118
Income tax accruals	93	91
Operating lease liabilities	406	—
Other liabilities	184	259
Total liabilities	6,858	6,489
Commitments and Contingencies (Note 9)		
Redeemable noncontrolling interest	14	14
Series A convertible preferred stock: par value \$0.01 per share, 3.0 shares authorized, 0.9 and 0.9 shares issued and outstanding as of March 31, 2019 and December 31, 2018, respectively; redemption amount and liquidation preference of \$883 and \$871 as of March 31, 2019 and December 31, 2018, respectively	872	859
Stockholders' equity		
NCR stockholders' equity		
Preferred stock: par value \$0.01 per share, 100.0 shares authorized, no shares issued and outstanding as of March 31, 2019 and December 31, 2018, respectively	—	—
Common stock: par value \$0.01 per share, 500.0 shares authorized, 119.8 and 118.7 shares issued and outstanding as of March 31, 2019 and December 31, 2018, respectively	1	1
Paid-in capital	48	34
Retained earnings	630	606
Accumulated other comprehensive loss	(230)	(246)
Total NCR stockholders' equity	449	395
Noncontrolling interests in subsidiaries	5	4
Total stockholders' equity	454	399
Total liabilities and stockholders' equity	\$ 8,198	\$ 7,761

See Notes to Condensed Consolidated Financial Statements.

NCR Corporation
Condensed Consolidated Statements of Cash Flows (Unaudited)

In millions	Three months ended March 31	
	2019	2018
Operating activities		
Net income	\$ 38	\$ 21
Adjustments to reconcile net income to net cash used in operating activities:		
Loss from discontinued operations	—	35
Depreciation and amortization	81	86
Stock-based compensation expense	23	14
Deferred income taxes	(5)	4
Changes in assets and liabilities:		
Receivables	21	(114)
Inventories	(68)	(42)
Current payables and accrued expenses	(192)	(77)
Contract liabilities	100	75
Employee benefit plans	(4)	(3)
Other assets and liabilities	(10)	(23)
Net cash used in operating activities	(16)	(24)
Investing activities		
Expenditures for property, plant and equipment	(22)	(29)
Additions to capitalized software	(43)	(42)
Business acquisitions, net	(6)	—
Other investing activities, net	3	(3)
Net cash used in investing activities	(68)	(74)
Financing activities		
Short term borrowings, net	7	(1)
Payments on term credit facilities	(17)	(34)
Payments on revolving credit facilities	(375)	(498)
Borrowings on revolving credit facilities	430	613
Repurchases of Company common stock	—	(165)
Proceeds from employee stock plans	4	5
Tax withholding payments on behalf of employees	(13)	(11)
Net cash provided by (used in) financing activities	36	(91)
Cash flows from discontinued operations		
Net cash used in operating activities	(6)	(4)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	1	5
Decrease in cash, cash equivalents, and restricted cash	(53)	(188)
Cash, cash equivalents and restricted cash at beginning of period	476	543
Cash, cash equivalents and restricted cash at end of period	\$ 423	\$ 355
March 31		
In millions	2019	2018
Reconciliation of cash, cash equivalents and restricted cash as shown in the Condensed Consolidated Statements of Cash Flows		
Cash and cash equivalents	\$ 414	\$ 348
Restricted cash included in other assets	9	7
Total cash, cash equivalents and restricted cash	\$ 423	\$ 355

See Notes to Condensed Consolidated Financial Statements.

NCR Corporation
Condensed Consolidated Statements of Changes in Stockholder's Equity (Unaudited)

In millions	NCR Stockholders						Non-Redeemable Noncontrolling Interests in Subsidiaries	Total
	Common Stock		Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive (Loss) Income			
	Shares	Amount						
December 31, 2018	119	\$ 1	\$ 34	\$ 606	\$ (246)	\$ 4	\$ 399	
Comprehensive income:								
Net income	—	—	—	37	—	1	38	
Other comprehensive income	—	—	—	—	16	—	16	
Total comprehensive income	—	—	—	37	16	1	54	
Employee stock purchase and stock compensation plans	1	—	14	—	—	—	14	
Series A convertible preferred stock dividends	—	—	—	(13)	—	—	(13)	
March 31, 2019	120	\$ 1	\$ 48	\$ 630	\$ (230)	\$ 5	\$ 454	

NCR Corporation
Condensed Consolidated Statements of Changes in Stockholder's Equity (Unaudited) - (Continued)

In millions	NCR Stockholders						Non-Redeemable Noncontrolling Interests in Subsidiaries	Total
	Common Stock		Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive (Loss) Income			
	Shares	Amount						
December 31, 2017	122	\$ 1	\$ 60	\$ 857	\$ (199)	\$ 3	\$ 722	
Comprehensive income:								
Net income	—	—	—	20	—	—	20	
Other comprehensive income	—	—	—	—	14	—	14	
Total comprehensive income	—	—	—	20	14	—	34	
Effects of adoption of new accounting standards	—	—	—	14	1	—	15	
Employee stock purchase and stock compensation plans	1	—	8	—	—	—	8	
Repurchase of Company common stock	(5)	—	(68)	(97)	—	—	(165)	
Series A convertible preferred stock dividends	—	—	—	(12)	—	—	(12)	
March 31, 2018	118	\$ 1	\$ —	\$ 782	\$ (184)	\$ 3	\$ 602	

NCR Corporation
Notes to Condensed Consolidated Financial Statements (Unaudited)

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NCR Corporation
Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

1. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying Condensed Consolidated Financial Statements have been prepared by NCR Corporation (NCR, the Company, we or us) without audit pursuant to the rules and regulations of the U.S. Securities and Exchange Commission (SEC) and, in the opinion of management, include all adjustments (consisting of normal, recurring adjustments, unless otherwise disclosed) necessary for a fair statement of the consolidated results of operations, financial position, and cash flows for each period presented. The consolidated results for the interim periods are not necessarily indicative of results to be expected for the full year. The 2018 year-end Condensed Consolidated Balance Sheet was derived from audited financial statements, but does not include all disclosures required by accounting principles generally accepted in the United States (GAAP). These financial statements should be read in conjunction with NCR's Form 10-K for the year ended December 31, 2018.

Effective January 1, 2019, NCR changed the management of its business to an industry basis from the previous model of management on a solution basis, which resulted in a corresponding change to NCR's reportable segments. We have reclassified prior period segment disclosures to conform to the current period presentation. See Note 3. Segment Information and Concentrations for additional information.

Use of Estimates The preparation of financial statements in accordance with GAAP requires management to make estimates and judgments that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenue and expenses during the period reported. Actual results could differ from those estimates.

Evaluation of Subsequent Events The Company evaluated subsequent events through the date that our Condensed Consolidated Financial Statements were issued. No matters were identified that required adjustment of the Condensed Consolidated Financial Statements or additional disclosure.

Reclassifications Certain prior-period amounts have been reclassified in the accompanying Condensed Consolidated Financial Statements and Notes thereto in order to conform to the current period presentation. Reclassifications had no effect on prior year net income or shareholders' equity.

Contract Assets and Liabilities The following table presents the net contract asset and contract liability balances as of March 31, 2019 and December 31, 2018.

In millions	Location in the Condensed Consolidated Balance Sheet	March 31, 2019	December 31, 2018
Current portion of contract assets	Other current assets	\$ 19	\$ 22
Current portion of contract liabilities	Contract liabilities	\$ 566	\$ 461
Non-current portion of contract liabilities	Other liabilities	\$ 83	\$ 85

During the three months ended March 31, 2019, the Company recognized \$191 million in revenue that was included in contract liabilities as of December 31, 2018.

Remaining Performance Obligations Remaining performance obligations represent the transaction price of orders for which products have not been delivered or services have not been performed. As of March 31, 2019, the aggregate amount of the transaction price allocated to remaining performance obligations was approximately \$3.6 billion. The Company expects to recognize revenue on approximately three-quarters of the remaining performance obligations over the next 12 months, with the remainder recognized thereafter. The majority of our professional services are expected to be recognized over the next 12 months but this is contingent upon a number of factors, including customers' needs and schedules.

The Company has made two elections that affect the value of remaining performance obligations described above. We do not disclose remaining performance obligations for SaaS contracts where variable consideration is directly allocated based on usage or when the original expected length is one year or less.

NCR Corporation
Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

Redeemable Noncontrolling Interests and Related Party Transactions In 2011, we sold a 49% voting equity interest in NCR Brasil - Indústria de Equipamentos para Automação S.A., a subsidiary of the Company (NCR Manaus), to Scopus Tecnologia Ltda. (Scopus). Under our investment agreements with Scopus, Scopus may elect to sell its shares in NCR Manaus at the then-current fair value to a third party that is not a competitor of NCR. If Scopus is unable to locate a buyer, Scopus may require NCR to purchase its noncontrolling interest for its then-current fair value.

We recognized revenue related to Banco Bradesco SA (Bradesco), the parent of Scopus, totaling \$19 million during the three months ended March 31, 2019 as compared to \$4 million during the three months ended March 31, 2018. As of March 31, 2019 and December 31, 2018, we had \$7 million and \$15 million, respectively, in receivables outstanding from Bradesco.

Recent Accounting Pronouncements

Issued

In August 2018, the Financial Accounting Standards Board (FASB) issued an accounting standard update with new guidance on fair value measurement disclosure requirements that requires the disclosure of additions to and transfers into and out of Level 3 of the fair value hierarchy. The update also requires disclosure about the uncertainty in measurement as of the reporting date. The new standard is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019 with early adoption permitted. The impact of adopting this guidance is not expected to have a material impact on our consolidated financial statements.

In August 2018, the FASB issued an accounting standards update related to accounting for implementation costs incurred in a cloud computing arrangement that is also a service contract. If a cloud computing arrangement also includes an internal-use software, an intangible asset is recognized and a liability is recognized for any payments related to the software license. However, if a cloud computing arrangement does not include a software license, the entity should account for the arrangement as a service contract and any fees associated with the service are expensed as incurred. The new standard is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019, with early adoption permitted. The impact of adopting this guidance is not expected to have a material impact on our consolidated financial statements.

Adopted

In February 2016, the FASB issued a new leasing standard that will supersede current guidance related to accounting for leases. The guidance is intended to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. The standard will be effective for the first interim period within annual periods beginning after December 15, 2018, with early adoption permitted. We adopted using the required modified retrospective approach and applied the provisions of the new leasing standard at the effective date, January 1, 2019, rather than at the beginning of the earliest period presented under the transition method provided. The standard also includes options to elect a number of practical expedients. We elected the package of practical expedients to not reassess prior conclusions related to contracts containing leases, lease classification and initial direct costs and also completed the evaluation of the remaining practical expedients available under the guidance. Refer to Note 2. Leasing for additional discussion. The standard had a material effect to the total assets and total liabilities reported on the condensed consolidated balance sheet, and did not have a material effect to the condensed consolidated statement of operations or the condensed consolidated statement of cash flows. The impact of adoption was to record operating and financing lease assets and liabilities of \$448 million and \$521 million, respectively, with a reduction of \$73 million for deferred rent liabilities and prepaid rent balances as of January 1, 2019. Refer to Note 2. Leasing for additional disclosure.

In October 2018, the FASB issued an accounting standards update for hedge accounting guidance that we adopted during the first quarter of 2019. This guidance allows for the use of a broad Treasury repurchase agreement financing rate, which is referred to as the Secured Overnight Financing Rate (SOFR) to be used as an additional benchmark rate for hedge accounting purposes. This guidance is effective for entities that have already adopted the amendments of the hedge accounting guidance for fiscal years beginning after December 15, 2018 on a prospective basis for qualifying new or re-designated hedging relationships entered into on or after the date of adoption. The adoption of this accounting standard update did not have a material effect on our consolidated financial statements.

NCR Corporation
Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

2. LEASING

As discussed in Note 1. Basis of Presentation and Summary of Significant Accounting Policies, we adopted the new leasing standard using the modified retrospective approach with an effective date of January 1, 2019. Prior year financial statements were not recast under the new standard and, therefore, those amounts are not presented below. We elected the package of transition provisions available for expired or existing contracts, which allowed us to carry forward our historical assessments of (1) whether contracts are or contain leases, (2) lease classification and (3) initial direct costs.

Lessee We lease property, vehicles and equipment under operating and financing leases. For leases with terms greater than 12 months, we record the related asset and obligation at the present value of lease payments over the term. We determine the lease term by assuming the exercise of renewal options that are reasonably certain. Leases with a lease term 12 months or less at inception are not recorded on our Condensed Consolidated Balance Sheet and are expensed on a straight-line basis over the lease term in our Condensed Consolidated Statement of Operations. Our leases may include rental escalation clauses, renewal options and/or termination options that are factored into our determination of lease payments when appropriate. When available, we use the rate implicit in the lease to discount lease payments to present value; however, most of our leases do not provide a readily determinable implicit rate. Therefore, we must estimate our incremental borrowing rate to discount the lease payments based on information available at lease commencement. Our incremental borrowing rate is based on a credit-adjusted risk-free rate at commencement date, which best approximates a secured rate over a similar term of lease. Additionally, we do not separate lease and non-lease components for any asset classes, except for those leases embedded in certain service arrangements. Fixed and in-substance fixed payments are included in the recognition of the operating and financing assets and lease liabilities, however, variable lease payments, other than those based on a rate or index, are recognized in the Condensed Consolidated Statements of Operations in the period in which the obligation for those payments is incurred. The company's variable lease payments generally relate to payments tied to various indexes, non-lease components and payments above a contractual minimum fixed payment.

The following table presents our lease balances as of March 31, 2019:

In millions	Location in the Condensed Consolidated Balance Sheet	March 31, 2019
Assets		
Operating lease assets	Operating lease assets	\$ 433
Finance lease assets	Property, plant and equipment, net	2
Amortization of Finance lease assets	Property, plant and equipment, net	—
Total leased assets		<u>\$ 435</u>
Liabilities		
Current		
Operating lease liabilities	Other current liabilities	\$ 102
Finance lease liabilities	Other current liabilities	1
Noncurrent		
Operating lease liabilities	Operating lease liabilities	406
Finance lease liabilities	Other liabilities	1
Total lease liabilities		<u>\$ 510</u>

The following table presents our lease costs for operating and finance leases for the three months ended March 31, 2019:

NCR Corporation
Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

In millions	Three months ended March 31, 2019
Operating lease cost	\$ 35
Finance lease cost	
Amortization of leased assets	—
Interest on lease liabilities	—
Short-Term lease cost	2
Variable lease cost	9
Total lease cost	<u>\$ 46</u>

The following table presents the supplemental cash flow information for the three months ended March 31, 2019:

In millions	Three months ended March 31, 2019
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating leases	\$ 32
Operating cash flows from finance leases	—
Financing cash flows from finance leases	—
Lease Assets Obtained in Exchange for Lease Obligations	
Operating Leases	12
Finance Leases	\$ 1

The following table reconciles the undiscounted cash flows for each of the first five years and total of the remaining years to the finance lease liabilities and operating lease liabilities recorded on the condensed consolidated balance sheet as of March 31, 2019:

In millions	Operating Leases	Finance Leases
2019	\$ 102	\$ 1
2020	103	1
2021	79	—
2022	59	—
2023	44	—
Thereafter	310	—
Total lease payments	697	2
Less: Amount representing interest	189	—
Present value of lease liabilities	<u>\$ 508</u>	<u>\$ 2</u>

Prior to the adoption of the new lease accounting standard, future minimum lease payments under non-cancelable operating leases at December 31, 2018 were as follows: \$128 million in 2019, \$96 million in 2020, \$80 million in 2021, \$64 million in 2022, and \$50 million in 2023.

As of March 31, 2019, we have additional operating leases, primarily for a real estate lease in Europe, that have not yet commenced of \$70 million. This operating lease is expected to commence in 2021 with a lease term of 10 years.

The following table presents the weighted average remaining lease term and interest rate as of March 31, 2019:

NCR Corporation
Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

	March 31, 2019
Weighted average lease term:	
Operating leases	9.1 years
Finance leases	3.2 years
Weighted average interest rate:	
Operating leases	6.40%
Finance leases	5.51%

Lessor We have various arrangements for certain point-of-sale equipment under which we are the lessor. These leases meet the criteria for operating lease classification. Lease income associated with these leases is not material.

3. SEGMENT INFORMATION AND CONCENTRATIONS

As noted in Note 1. Basis of Presentation and Summary of Significant Accounting Policies, effective January 1, 2019, NCR changed the management of its business to an industry basis from the previous model of management on a solution basis, which resulted in a corresponding change to NCR's reportable segments. We have reclassified prior period segment disclosures to conform to the current period presentation. As a result of the change, the Company manages and reports the following segments:

- **Banking** - We offer solutions to enable customers in the financial services industry to reduce costs, generate new revenue streams and enhance customer loyalty. These solutions include a comprehensive line of ATM and payment processing hardware and software; cash management and video banking software and customer-facing digital banking services; and related installation, maintenance, and managed and professional services.
- **Retail** - We offer solutions to customers in the retail industry designed to improve selling productivity and checkout processes as well as increase service levels. These solutions primarily include retail-oriented technologies, such as point of sale terminals and point of sale software; a retail software platform with a comprehensive suite of retail software applications; innovative self-service kiosks, such as self-checkout; as well as bar-code scanners. We also offer installation, maintenance, managed and professional services as well as payment processing solutions.
- **Hospitality** - We offer technology solutions to customers in the hospitality industry, serving businesses that range from a single store or restaurant to global chains and sports and entertainment venues. Our solutions include point of sale hardware and software solutions, installation, maintenance, managed and professional services as well as payment processing solutions.
- **Other** - This category includes telecommunications and technology solutions where we offer maintenance as well as managed and professional services for third-party hardware provided to select manufacturers who value and leverage our global service capability.

These segments represent components of the Company for which separate financial information is available that is utilized on a regular basis by the chief operating decision maker in assessing segment performance and in allocating the Company's resources. Management evaluates the performance of the segments based on revenue and segment operating income. Assets are not allocated to segments, and thus are not included in the assessment of segment performance, and consequently, we do not disclose total assets by reportable segment.

The accounting policies used to determine the results of the operating segments are the same as those utilized for the consolidated financial statements as a whole. Intersegment sales and transfers are not material.

To maintain operating focus on business performance, non-operational items are excluded from the segment operating results utilized by our chief operating decision maker in evaluating segment performance and are separately delineated to reconcile back to total reported income from operations.

NCR Corporation
Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

The following table presents revenue and operating income by segment:

In millions	Three months ended March 31	
	2019	2018
Revenue by segment		
Banking	\$ 758	\$ 721
Retail	511	521
Hospitality	193	204
Other	74	71
Consolidated revenue	\$ 1,536	\$ 1,517
Operating income by segment		
Banking	\$ 95	\$ 84
Retail	26	35
Hospitality	16	19
Other	10	10
Subtotal - segment operating income	147	148
Other adjustments ⁽¹⁾	47	39
Income from operations	\$ 100	\$ 109

⁽¹⁾ The following table presents the other adjustments for NCR:

In millions	Three months ended March 31	
	2019	2018
Transformation and restructuring costs	\$ 26	\$ 16
Acquisition-related amortization of intangible assets	21	23
Total other adjustments	\$ 47	\$ 39

The following table presents revenue by geography for NCR:

In millions	Three months ended March 31	
	2019	2018
Americas	\$ 920	\$ 889
Europe, Middle East and Africa (EMEA)	419	408
Asia Pacific (APJ)	197	220
Total revenue	\$ 1,536	\$ 1,517

The following tables present revenue from products and services for NCR:

In millions	Three months ended March 31	
	2019	2018
Product revenue	\$ 539	\$ 526
Professional services and installation services revenue	238	256
Recurring revenue, including maintenance, cloud revenue and payments	759	735
Total revenue	\$ 1,536	\$ 1,517

In millions	Three months ended March 31	
	2019	2018
Software	\$ 467	\$ 460
Services	585	601
Hardware	484	456
Total revenue	\$ 1,536	\$ 1,517

NCR Corporation
Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

4. GOODWILL AND LONG-LIVED ASSETS

As noted in Note 1. Basis of Presentation and Summary of Significant Accounting Policies, effective January 1, 2019, the Company began management of its business on a industry basis, changing from the previous model of management on a solution basis, which resulted in a corresponding change to NCR's reportable segments. In connection with the change in reportable segments, during the first quarter of 2019, the Company determined its reporting units and then assigned goodwill to the new reporting units based on the relative fair value allocation approach. Based on this analysis, it was determined that the fair value of all reporting units were substantially in excess of the carrying value. We have reclassified prior period goodwill disclosures to conform to the current period presentation.

The carrying amounts of goodwill by segment as of March 31, 2019 and December 31, 2018 are included in the table below. Foreign currency fluctuations are included within other adjustments.

In millions	December 31, 2018			Additions	Impairment	Other	March 31, 2019		
	Goodwill	Accumulated Impairment Losses	Total				Goodwill	Accumulated Impairment Losses	Total
Banking	\$ 1,718	\$ (101)	\$ 1,617	\$ —	\$ —	\$ 2	\$ 1,720	\$ (101)	\$ 1,619
Retail	571	(34)	537	5	—	—	576	(34)	542
Hospitality	385	(23)	362	6	—	—	391	(23)	368
Other	187	(11)	176	—	—	—	187	(11)	176
Total goodwill	\$ 2,861	\$ (169)	\$ 2,692	\$ 11	\$ —	\$ 2	\$ 2,874	\$ (169)	\$ 2,705

Additions during the first quarter of 2019 represent a purchase accounting adjustment related to the acquisition of JetPay Corporation as well as goodwill from an acquisition of a reseller within the Hospitality segment that was completed in the first quarter of 2019.

NCR's purchased intangible assets, reported in intangibles, net in the Condensed Consolidated Balance Sheets, were specifically identified when acquired, and are deemed to have finite lives. The gross carrying amount and accumulated amortization for NCR's identifiable intangible assets were as set forth in the table below.

In millions	Amortization Period (in Years)	March 31, 2019		December 31, 2018	
		Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Identifiable intangible assets					
Reseller & customer relationships	1 - 20	\$ 725	\$ (231)	\$ 726	\$ (218)
Intellectual property	2 - 8	443	(379)	443	(373)
Customer contracts	8	89	(87)	89	(87)
Tradenames	2 - 10	75	(62)	75	(60)
Total identifiable intangible assets		\$ 1,332	\$ (759)	\$ 1,333	\$ (738)

The aggregate amortization expense (actual and estimated) for identifiable intangible assets for the following periods is:

In millions	Three months ended March 31, 2019	Remainder of 2019 (estimated)
Amortization expense	\$ 21	\$ 66

In millions	For the years ended December 31 (estimated)				
	2020	2021	2022	2023	2024
Amortization expense	\$ 68	\$ 59	\$ 55	\$ 52	\$ 47

NCR Corporation
Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

5. DEBT OBLIGATIONS

The following table summarizes the Company's short-term borrowings and long-term debt:

In millions, except percentages	March 31, 2019		December 31, 2018	
	Amount	Weighted-Average Interest Rate	Amount	Weighted-Average Interest Rate
Short-Term Borrowings				
Current portion of Senior Secured Credit Facility ⁽¹⁾	\$ 90	4.50%	\$ 84	4.51%
Trade Receivables Securitization Facility	200	3.36%	100	3.37%
Other ⁽²⁾	7	3.71%	1	4.92%
Total short-term borrowings	<u>\$ 297</u>		<u>\$ 185</u>	
Long-Term Debt				
Senior Secured Credit Facility:				
Term loan facility ⁽¹⁾	\$ 653	4.50%	\$ 675	4.51%
Revolving credit facility ⁽¹⁾	75	4.49%	120	4.49%
Senior notes:				
5.00% Senior Notes due 2022	600		600	
4.625% Senior Notes due 2021	500		500	
5.875% Senior Notes due 2021	400		400	
6.375% Senior Notes due 2023	700		700	
Deferred financing fees	(16)		(18)	
Other ⁽²⁾	2	0.77%	3	0.59%
Total long-term debt	<u>\$ 2,914</u>		<u>\$ 2,980</u>	

⁽¹⁾ Interest rates are weighted-average interest rates as of March 31, 2019 and December 31, 2018.

⁽²⁾ Interest rates are weighted-average interest rates as of March 31, 2019 and December 31, 2018 primarily related to various international credit facilities.

Senior Secured Credit Facility On March 31, 2016, the Company amended and restated its senior secured credit facility with and among certain foreign subsidiaries of NCR (the Foreign Borrowers), the lenders party thereto and JPMorgan Chase Bank, NA (JPMCB) as the administrative agent, and refinanced its term loan facility and revolving credit facility thereunder (the Senior Secured Credit Facility). As of March 31, 2019, the Senior Secured Credit Facility consisted of a term loan facility with an aggregate principal amount outstanding of \$743 million and a revolving credit facility with an aggregate principal amount of \$1.1 billion, of which \$75 million was outstanding. The revolving credit facility also allows a portion of the availability to be used for outstanding letters of credit, and as of March 31, 2019, there were no letters of credit outstanding.

Up to \$400 million of the revolving credit facility is available to the Foreign Borrowers. Term loans were made to the Company in U.S. Dollars, and loans under the revolving credit facility are available in U.S. Dollars, Euros and Pound Sterling.

The outstanding principal balance of the term loan facility is required to be repaid in equal quarterly installments of approximately \$17 million beginning June 30, 2018, and \$23 million beginning June 30, 2019, with the balance being due at maturity on March 31, 2021. Borrowings under the revolving portion of the credit facility are due March 31, 2021. Amounts outstanding under the Senior Secured Credit Facility bear interest at LIBOR (or, in the case of amounts denominated in Euros, EURIBOR), or, at NCR's option, in the case of amounts denominated in U.S. Dollars, at a base rate equal to the highest of (a) the federal funds rate plus 0.50%, (b) JPMCB's "prime rate" and (c) the one-month LIBOR rate plus 1.00% (the Base Rate), plus, in each case, a margin ranging from 1.25% to 2.25% for LIBOR-based loans that are either term loans or revolving loans and EURIBOR-based revolving loans and ranging from 0.25% to 1.25% for Base Rate-based loans that are either term loans or revolving loans, in each case, depending on the Company's consolidated leverage ratio. The terms of the Senior Secured Credit Facility also require certain other fees and payments to be made by the Company, including a commitment fee on the undrawn portion of the revolving credit facility.

The obligations of the Company and Foreign Borrowers under the Senior Secured Credit Facility are guaranteed by certain of the Company's wholly-owned domestic subsidiaries. The Senior Secured Credit Facility and these guarantees are secured by a first

NCR Corporation
Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

priority lien and security interest in certain equity interests owned by the Company and the guarantor subsidiaries in certain of their respective domestic and foreign subsidiaries, and a perfected first priority lien and security interest in substantially all of the Company's U.S. assets and the assets of the guarantor subsidiaries, subject to certain exclusions. These security interests would be released if the Company achieves an "investment grade" rating, and will remain released so long as the Company maintains that rating.

The Senior Secured Credit Facility includes affirmative and negative covenants that restrict or limit the ability of the Company and its subsidiaries to, among other things, incur indebtedness; create liens on assets; engage in certain fundamental corporate changes or changes to the Company's business activities; make investments; sell or otherwise dispose of assets; engage in sale-leaseback or hedging transactions; repurchase stock, pay dividends or make similar distributions; repay other indebtedness; engage in certain affiliate transactions; or enter into agreements that restrict the Company's ability to create liens, pay dividends or make loan repayments. The Senior Secured Credit Facility also includes financial covenants that require the Company to maintain:

- a consolidated leverage ratio on the last day of any fiscal quarter, not to exceed (i) in the case of any fiscal quarter ending after December 31, 2017 and on or prior to December 31, 2019, (a) the sum of 4.00 and an amount (not to exceed 0.50) to reflect debt used to reduce NCR's unfunded pension liabilities to (b) 1.00, and (ii) in the case of any fiscal quarter ending after December 31, 2019, the sum of (a) 3.75 and an amount (not to exceed 0.50) to reflect debt used to reduce NCR's unfunded pension liabilities to (b) 1.00; and
- an interest coverage ratio on the last day of any fiscal quarter greater than or equal to 3.50 to 1.00.

At March 31, 2019, the maximum consolidated leverage ratio under the Senior Secured Credit Facility was 4.10 to 1.00.

The Senior Secured Credit Facility also includes provisions for events of default, which are customary for similar financings. Upon the occurrence of an event of default, the lenders may, among other things, terminate the loan commitments, accelerate all loans and require cash collateral deposits in respect of outstanding letters of credit. If the Company is unable to pay or repay the amounts due, the lenders could, among other things, proceed against the collateral granted to them to secure such indebtedness.

The Company may request, at any time and from time to time, but the lenders are not obligated to fund, the establishment of one or more incremental term loans and/or revolving credit facilities (subject to the agreement of existing lenders or additional financial institutions to provide such term loans and/or revolving credit facilities) with commitments in an aggregate amount not to exceed the greater of (i) \$150 million, and (ii) such amount as would not (a) prior to the date that the Company obtains an investment grade rating cause the leverage ratio under the Senior Secured Credit Facility, calculated on a pro forma basis including the incremental facility and assuming that it and the revolver are fully drawn, to exceed 2.50 to 1.00, and (b) on and after the date that the Company obtains an investment grade rating cause the leverage ratio under the Senior Secured Credit Facility, calculated on a pro forma basis including the incremental facility and assuming that it and the revolver are fully drawn, to exceed a ratio that is 0.50 less than the leverage ratio then applicable under the financial covenants of the Senior Secured Credit Facility, the proceeds of which can be used for working capital requirements and other general corporate purposes.

Senior Unsecured Notes On September 17, 2012, the Company issued \$600 million aggregate principal amount of 5.00% senior unsecured notes due in 2022 (the 5.00% Notes). The 5.00% Notes were sold at 100% of the principal amount and will mature on July 15, 2022. On December 18, 2012, the Company issued \$500 million aggregate principal amount of 4.625% senior unsecured notes due in 2021 (the 4.625% Notes). The 4.625% Notes were sold at 100% of the principal amount and will mature on February 15, 2021. On December 19, 2013, the Company issued \$400 million aggregate principal amount of 5.875% senior unsecured notes due in 2021 (the 5.875% Notes) and \$700 million aggregate principal amount of 6.375% senior unsecured notes due in 2023 (the 6.375% Notes). The 5.875% Notes were sold at 100% of the principal amount and will mature on December 15, 2021 and the 6.375% Notes were sold at 100% of the principal amount and will mature on December 15, 2023. The senior unsecured notes are guaranteed, fully and unconditionally, on an unsecured senior basis, by our subsidiary, NCR International, Inc. Under the indentures for these notes, the Company has the option to redeem each series of notes, in whole or in part, at various times for specified prices, plus accrued and unpaid interest.

The terms of the indentures for these notes limit the ability of the Company and certain of its subsidiaries to, among other things, incur additional debt or issue redeemable preferred stock; pay dividends or make certain other restricted payments or investments; incur liens; sell assets; incur restrictions on the ability of the Company's subsidiaries to pay dividends to the Company; enter into affiliate transactions; engage in sale and leaseback transactions; and consolidate, merge, sell or otherwise dispose of all or substantially all of the Company's or such subsidiaries' assets. These covenants are subject to significant exceptions and qualifications. For example, if these notes are assigned an investment grade rating by Moody's or S&P and no default has occurred or is continuing, certain covenants will be terminated.

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Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

Trade Receivables Securitization Facility In November 2014, the Company established a two-year revolving trade receivables securitization facility (the A/R Facility) with PNC Bank, National Association (PNC) as the administrative agent, and various lenders. In November 2016, the Company amended the A/R Facility to extend the maturity date to November 2018. In November 2018, the Company amended the A/R Facility to extend the maturity date to November 2020. The A/R Facility provides for up to \$200 million in funding based on the availability of eligible receivables and other customary factors and conditions.

Under the A/R Facility, NCR sells and/or contributes certain of its U.S. trade receivables to a wholly-owned, bankruptcy-remote subsidiary as they are originated, and advances by the lenders to that subsidiary are secured by those trade receivables. The assets of this financing subsidiary are restricted as collateral for the payment of its obligations under the A/R Facility, and its assets and credit are not available to satisfy the debts and obligations owed to the creditors of the Company. The Company includes the assets, liabilities and results of operations of this financing subsidiary in its consolidated financial statements. The financing subsidiary owned \$540 million and \$526 million of outstanding accounts receivable as of March 31, 2019 and December 31, 2018, respectively, and these amounts are included in accounts receivable, net in the Company's Condensed Consolidated Balance Sheets.

The financing subsidiary pays annual commitment and other customary fees to the lenders, and advances by a lender under the A/R Facility accrue interest (i) at a reserve-adjusted LIBOR rate or a base rate equal to the highest of (a) the applicable lender's prime rate or (b) the federal funds rate plus 0.50%, if the lender is a committed lender, or (ii) based on commercial paper interest rates if the lender is a commercial paper conduit lender. Advances may be prepaid at any time without premium or penalty.

The A/R Facility contains various customary affirmative and negative covenants and default and termination provisions that provide for the acceleration of the advances under the A/R Facility in circumstances including, but not limited to, failure to pay interest or principal when due, breach of representation, warranty or covenant, certain insolvency events or failure to maintain the security interest in the trade receivables, and defaults under other material indebtedness.

Fair Value of Debt The Company utilized Level 2 inputs, as defined in the fair value hierarchy, to measure the fair value of the long-term debt, which, as of March 31, 2019 and December 31, 2018 was \$3.24 billion and \$3.11 billion, respectively. Management's fair value estimates were based on quoted prices for recent trades of NCR's long-term debt, quoted prices for similar instruments, and inquiries with certain investment communities.

6. INCOME TAXES

Income tax provisions for interim (quarterly) periods are based on an estimated annual effective income tax rate calculated separately from the effect of significant, infrequent or unusual items. Income tax expense was \$9 million for the three months ended March 31, 2019 compared to income tax expense of \$7 million for the three months ended March 31, 2018. The increase in income tax expense was primarily driven by a decrease in discrete benefits offset by lower income before taxes in the three months ended March 31, 2019. The decrease in discrete benefits was primarily driven by favorable audit settlements in international jurisdictions during the three months ended March 31, 2018 that did not recur during the three months ended March 31, 2019.

The Company engages in regular discussions and negotiations with taxing authorities regarding tax matters, and the Company has determined that over the next 12 months it expects to resolve certain tax matters related to U.S. and foreign jurisdictions. As a result, as of March 31, 2019, we estimate that it is reasonably possible that gross unrecognized tax benefits may decrease by \$5 million to \$10 million in the next 12 months.

7. STOCK COMPENSATION PLANS

As of March 31, 2019, the Company's primary type of stock-based compensation was restricted stock units and stock options. Stock-based compensation expense for the following periods were:

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Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

In millions	Three months ended March 31	
	2019	2018
Restricted stock units	\$ 20	\$ 13
Stock options	2	—
Employee stock purchase plan	1	1
Stock-based compensation expense	23	14
Tax benefit	(3)	(3)
Total stock-based compensation expense (net of tax)	<u>\$ 20</u>	<u>\$ 11</u>

Stock-based compensation expense is recognized in the financial statements based upon grant date fair value. The Company granted stock options and the weighted average fair value of option grants was estimated based on the below weighted average assumptions, which was \$8.07 and \$9.80 for the three months ended March 31, 2019 and 2018, respectively. The stock options that were granted for the three months ended March 31, 2019 and 2018 had a seven year contractual term and will vest over four years.

	Three months ended March 31	
	2019	2018
Dividend yield	\$ —	\$ —
Risk-free interest rate	2.50%	2.47%
Expected volatility	34.79%	34.81%
Expected holding period (years)	3.9	3.8

Expected volatility is calculated as the historical volatility of the Company's stock over a period equal to the expected term of the options, as management believes this is the best representation of prospective trends. The Company uses historical data to estimate option exercise and employee terminations within the valuation model. The expected holding period represents the period of time that options are expected to be outstanding. The risk-free interest rate for periods within the contractual life of the option is based on a blend of the three and five-year U.S. Treasury yield curve in effect at the time of grant.

As of March 31, 2019, the total unrecognized compensation cost of \$121 million related to unvested restricted stock grants is expected to be recognized over a weighted average period of approximately 1.0 year. As of March 31, 2019, the total unrecognized compensation cost of \$33 million related to unvested stock option grants is expected to be recognized over a weighted average period of approximately 1.8 years.

Employee Stock Purchase Plan The Company's Employee Stock Purchase Plan ("ESPP") provides employees a 15% discount on stock purchases using a three-month look-back feature where the discount is applied to the stock price that represents the lower of NCR's closing stock price on either the first day or the last day of each calendar quarter. Participants can contribute between 1% and 10% of their compensation.

For the three months ended March 31, 2019, employees purchased 0.3 million shares, at a discounted price of \$20.24. For the three months ended March 31, 2018, employees purchased 0.2 million shares, at a discounted price of \$29.62.

8. EMPLOYEE BENEFIT PLANS

Components of net periodic benefit cost (income) of the pension plans for the three months ended March 31 were as follows:

In millions	U.S. Pension Benefits		International Pension Benefits		Total Pension Benefits	
	2019	2018	2019	2018	2019	2018
Net service cost	\$ —	\$ —	\$ 2	\$ 2	\$ 2	\$ 2
Interest cost	16	15	5	5	21	20
Expected return on plan assets	(10)	(11)	(8)	(8)	(18)	(19)
Net periodic benefit cost (income)	<u>\$ 6</u>	<u>\$ 4</u>	<u>\$ (1)</u>	<u>\$ (1)</u>	<u>\$ 5</u>	<u>\$ 3</u>

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Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

The benefit from the postretirement plan for the following periods were:

	Three months ended March 31	
	2019	2018
Interest cost	\$ —	\$ —
Amortization of:		
Prior service benefit	(1)	(1)
Net postretirement benefit	<u>\$ (1)</u>	<u>\$ (1)</u>

The net cost of the postemployment plan for the following periods were:

In millions	Three months ended March 31	
	2019	2018
Net service cost	\$ 14	\$ 10
Interest cost	1	1
Amortization of:		
Prior service benefit	(1)	(1)
Actuarial gain	(1)	—
Net benefit cost	<u>\$ 13</u>	<u>\$ 10</u>

Employer Contributions

Pension For the three months ended March 31, 2019, NCR contributed \$6 million to its international pension plans. NCR anticipates contributing an additional \$22 million to its international pension plans for a total of \$28 million in 2019.

Postretirement For the three months ended March 31, 2019, NCR contributed \$1 million to its U.S. postretirement plan. NCR anticipates contributing an additional \$1 million to its U.S. postretirement plan for a total of \$2 million in 2019.

Postemployment For the three months ended March 31, 2019, NCR contributed \$14 million to its postemployment plans. NCR anticipates contributing an additional \$16 million to its postemployment plans for a total of \$30 million in 2019.

9. COMMITMENTS AND CONTINGENCIES

In the normal course of business, NCR is subject to various proceedings, lawsuits, claims and other matters, including, for example, those that relate to the environment and health and safety, labor and employment, employee benefits, import/export compliance, intellectual property, data privacy and security, product liability, commercial disputes and regulatory compliance, among others. Additionally, NCR is subject to diverse and complex laws and regulations, including those relating to corporate governance, public disclosure and reporting, environmental safety and the discharge of materials into the environment, product safety, import and export compliance, data privacy and security, antitrust and competition, government contracting, anti-corruption, and labor and human resources, which are rapidly changing and subject to many possible changes in the future. Compliance with these laws and regulations, including changes in accounting standards, taxation requirements, and federal securities laws among others, may create a substantial burden on, and substantially increase costs to NCR or could have an impact on NCR's future operating results. The Company has reflected all liabilities when a loss is considered probable and reasonably estimable in the Condensed Consolidated Financial Statements. We do not believe there is a reasonable possibility that losses exceeding amounts already recognized have been incurred, but there can be no assurances that the amounts required to satisfy alleged liabilities from such matters will not impact future operating results. Other than as stated below, the Company does not currently expect to incur material capital expenditures related to such matters. However, there can be no assurances that the actual amounts required to satisfy alleged liabilities from various lawsuits, claims, legal proceedings and other matters, including, but not limited to the Fox River and Kalamazoo River environmental matters and other matters discussed below, and to comply with applicable laws and regulations, will not exceed the amounts reflected in NCR's Condensed Consolidated Financial Statements or will not have a material adverse effect on its consolidated results of operations, capital expenditures, competitive position, financial condition or cash flows.

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Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

In June 2014, one of the Company's Brazilian subsidiaries, NCR Manaus, was notified of a Brazilian federal tax assessment of R\$168 million, or approximately \$43 million as of March 31, 2019, including penalties and interest regarding certain federal indirect taxes for 2010 through 2012. The assessment alleges improper importation of certain components into Brazil's free trade zone that would nullify related indirect tax incentives. We have not recorded an accrual for the assessment, as the Company believes it has a valid position regarding indirect taxes in Brazil and, as such, filed an appeal in 2014. In December 2017, the Company prevailed in this appeal regarding substantially all of the disputed amounts. However, the Brazilian federal tax authority has further appealed this dispute to the next procedural level, so the dispute is ongoing. In further proceedings on this matter, an intermediate tribunal decided in NCR's favor in August 2018 and issued an opinion to that effect on February 25, 2019. The Brazilian tax authorities have appealed one of the tax matters that was included within this decision. The Company estimated the aggregate risk related to this matter to be between zero and \$16 million as of March 31, 2019. Although the Company has not recorded an accrual, it is possible that the Company could be required to pay taxes, penalties and interest related to this matter, which could be material to the Company's Condensed Consolidated Financial Statements.

Environmental Matters NCR's facilities and operations are subject to a wide range of environmental protection laws, and NCR has investigatory and remedial activities underway at a number of facilities that it currently owns or operates, or formerly owned or operated, to comply, or to determine compliance, with such laws. Also, NCR has been identified, either by a government agency or by a private party seeking contribution to site clean-up costs, as a potentially responsible party (PRP) at a number of sites pursuant to various state and federal laws, including the Federal Water Pollution Control Act, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) and comparable state statutes. Other than the Fox River matter and the Kalamazoo River matter discussed below, we currently do not anticipate material expenses and liabilities from these environmental matters.

Fox River NCR is one of eight entities that were formally notified by governmental and other entities, such as local Native American tribes, that they are PRPs for environmental claims (under CERCLA and other statutes) arising out of the presence of polychlorinated biphenyls (PCBs) in sediments in the lower Fox River and in the Bay of Green Bay in Wisconsin. The other Fox River PRPs that received notices include Appleton Papers Inc. (API; now known as Appvion, Inc.), P.H. Glatfelter Company ("Glatfelter"), Georgia-Pacific Consumer Products LP (GP, successor to Fort James Operating Company), and others. NCR was identified as a PRP because of alleged PCB discharges from two carbonless copy paper manufacturing facilities it previously owned, which were located along the Fox River. NCR sold its facilities in 1978 to API. The parties have also contended that NCR is responsible for PCB discharges from paper mills owned by other companies because NCR carbonless copy paper "broke" was allegedly purchased by those other mills as a raw material.

The United States Environmental Protection Agency (USEPA) and Wisconsin Department of Natural Resources (together, the Governments) developed clean-up plans for the upper and lower parts of the Fox River and for portions of the Bay of Green Bay. On November 13, 2007, the Governments issued a unilateral administrative order (the 2007 Order) under CERCLA to the eight original PRPs, requiring them to perform remedial work under the Governments' clean-up plan for the lower parts of the river (operable units 2 through 5). In April 2009, NCR and API formed a limited liability company (the LLC), which entered into an agreement with an environmental remediation contractor to perform the work at the Fox River site. In-water dredging and remediation under the clean-up plan commenced shortly thereafter.

NCR and API, along with B.A.T Industries p.l.c. (BAT), share among themselves a portion of the cost of the Fox River clean-up and natural resource damages (NRD) based upon a 1998 agreement (the Cost Sharing Agreement), a 2005 arbitration award (subsequently confirmed as a judgment), and a September 30, 2014 Funding Agreement (the Funding Agreement). The Cost Sharing Agreement and the arbitration resolved disputes that arose out of the Company's 1978 sale of its Fox River facilities to API. The Cost Sharing Agreement and arbitration award resulted in a 45% share for NCR of the first \$75 million of such costs (a threshold that was reached in 2008), and a 40% share for amounts in excess of \$75 million. The Funding Agreement arose out of a 2012 to 2014 arbitration dispute between NCR and API, and provides for regular, ongoing funding of NCR-incurred Fox River remediation costs via contributions, made to a new limited liability corporation created by the Funding Agreement, by BAT, API and, for 2014, API's indemnitor Windward Prospects. The Funding Agreement creates an obligation on BAT and API to fund 50% of NCR's Fox River remediation costs from October 1, 2014 forward; (API's Fox River-related obligations under the Funding Agreement were fully satisfied in 2016); the Funding Agreement also provides NCR contractual avenues for payment of, via direct and third-party sources, (1) the difference between BAT's and API's 60% obligation under the Cost Sharing Agreement and arbitration award on the one hand and their ongoing (since September 2014) 50% payments under the Funding Agreement on the other, as well as (2) the difference between the amount NCR received under the Funding Agreement and the amount owed to it under the Cost Sharing Agreement and arbitration award for the period from April 2012 through September 2014. As of March 31, 2019 and December 31, 2018, the receivable under the Funding Agreement was approximately \$46 million and \$45 million, respectively, and was included in other assets in the Condensed Consolidated Balance Sheet. The Company anticipates that it will collect sums related to the receivable in 2019 or later, likely after the remediation efforts related to the Fox River matter, described below, are complete. This receivable is not taken into account in calculating the Company's Fox River net reserve.

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The Company's litigations relating to contribution and enforcement claims concerning the Fox River have been concluded. A proposed consent decree settlement (the CD settlement) with respect to the contribution action (a case originally filed by NCR and API) and the government enforcement action (a case originally filed by the federal and state governments against several PRPs, including the Company) was successfully negotiated by NCR and the federal and state governments and was approved on August 22, 2017 by the federal district court in Wisconsin that had been presiding over those cases. A final order of dismissal as to the Company in the contribution and government enforcement actions was subsequently entered; one party, Glatfelter, had appealed the approval of the CD settlement. On January 3, 2019, the United States lodged a proposed consent decree with the Wisconsin court, reflecting a settlement reached by the United States, Wisconsin and Glatfelter with respect to Glatfelter's Fox River liability under the government enforcement action; a component of that settlement was withdrawal of Glatfelter's appeal opposing the Company's CD settlement. On March 14, 2019, the Wisconsin court approved the Glatfelter consent decree, and on April 3, 2019, Glatfelter's appeal was dismissed.

The CD settlement is now expected to resolve the remaining Fox River-related contribution and enforcement claims against the Company. The key components of the approved CD settlement include (1) the Company's commitment to complete the remediation of the Fox River, which is now expected to be completed in 2019 or 2020; (2) the Company's conditional agreement to waive its contribution claims against the two remaining defendants in the case, GP and Glatfelter; (3) the Company's agreement not to appeal the trial court's decision on divisibility of harm; (4) the Governments' agreement to include in the settlement so-called "contribution protection" in the Company's favor as to GP's and Glatfelter's contribution claims against the Company, the effect of which will be to extinguish those claims; (5) the Governments' agreement not to pursue the Company for the Governments' past oversight costs; and (6) the Governments' agreement to exercise prosecutorial discretion in pursuing other parties for future oversight costs and long-term monitoring and maintenance, with the Company retaining so-called "backstop" liability in the event that the other parties fail to pay future oversight costs or to perform long-term monitoring and maintenance. Additionally, although certain state law claims by GP and Glatfelter against the Company may not be affected directly by the CD settlement, the CD settlement provides that the Company's contribution claims against those two parties will revive if those parties attempt to assert any claims against the Company relating to the Fox River, including any state law claims.

In the quarter ending September 30, 2017, the remediation general contractor commenced an arbitration against the LLC, in a dispute over contract interpretation. That dispute is scheduled for a hearing in mid-2019. The amounts claimed by the contractor range from approximately \$46 million to approximately \$53 million; the Company disputes the claims and is contesting them vigorously. To the extent, if any, that the contractor's claims are successful, the Company's indemnitors and co-obligors, described below, would be expected to bear responsibility for the majority of any award, with the Company's share approximately one-fourth of such award.

With respect to the Company's prior dispute with API, which was generally superseded by the Funding Agreement, the Company received timely payments as they came due under the Funding Agreement. Although API filed for bankruptcy protection in October 2017, it had made all of the payments to the Company in connection with the Fox River that are required of it by the Funding Agreement.

NCR's eventual remediation liability, followed by long-term monitoring expected to be performed by others, will depend on a number of factors. In establishing the reserve, NCR attempts to estimate a range of reasonably possible outcomes for each of these factors, although each range is itself uncertain. NCR uses its best estimate within the range, if that is possible. Where there is a range of equally possible outcomes, and there is no amount within that range that is considered to be a better estimate than any other amount, NCR uses the low end of the range. The significant factors include: (1) the total remaining clean-up costs, in-river remediation is expected to be completed in 2019, depending on the outcome of certain requests made by the governments concerning additional dredging, the expected cost impact of which is expected to be neutral or non-material to the Company, including long-term monitoring following completion of the clean-up, and what parties are assigned to discharge the post-clean-up tasks (as noted, the Company no longer expects to bear long-term monitoring costs); (2) total NRD for the site and the share that NCR will bear (which is now resolved as to the Company); (3) the share of clean-up costs that NCR will bear (which is resolved under the CD settlement); (4) NCR's transaction and litigation costs to defend itself in this matter (with remaining litigation expected to be limited to the claim brought by the general contractor, both referenced above); and (5) the share of NCR's payments that BAT will bear (which is governed by the Cost Sharing Agreement and the Funding Agreement, BAT has made all of the payments requested of it, and as discussed above; API is in bankruptcy and is not presumed likely to bear further shares of NCR's payments). With respect to NRD, in connection with a certain settlement entered into by other PRPs in 2015, the Government withdrew the NRD claims it had prosecuted on behalf of NRD trustees, including those NRD claims asserted against the Company.

Calculation of the Company's Fox River reserve is subject to several complexities, and it is possible there could be additional changes to some elements of the reserve over upcoming periods, although the Company is unable to predict or estimate such changes at this time. There can be no assurance that the clean-up and related expenditures and liabilities will not have a material

NCR Corporation
Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

effect on NCR's capital expenditures, earnings, financial condition, cash flows, or competitive position. As of March 31, 2019, the gross reserve for the Fox River matter was approximately \$18 million, compared to \$21 million as of December 31, 2018. As of March 31, 2019, the net reserve for the Fox River matter was approximately \$15 million, compared to \$17 million as of December 31, 2018. The change in the net reserve is due to payments for clean-up activities and litigation costs. NCR contributes to the LLC to fund remediation activities and generally, by contract, has funded certain amounts of remediation expenses in advance. As of March 31, 2019 and December 31, 2018, approximately zero remained from this funding. NCR's reserve for the Fox River matter is reduced as the LLC makes payments to the remediation contractor and other vendors with respect to remediation activities.

Under a 1996 agreement, AT&T Corp. (AT&T) and Nokia (as the successor to Lucent Technologies and Alcatel-Lucent USA) are responsible severally (not jointly) for indemnifying NCR for certain portions of the amounts paid by NCR for the Fox River matter over a defined threshold and subject to certain offsets. (The agreement governs certain aspects of AT&T's divestiture of NCR and of what was then known as Lucent Technologies.) Those companies have made the payments requested of them by the Company on an ongoing basis.

Kalamazoo River In November 2010, USEPA issued a "general notice letter" to NCR with respect to the Allied Paper, Inc./Portage Creek/Kalamazoo River Superfund Site (Kalamazoo River site) in Michigan. Three other companies - International Paper, Mead Corporation, and Consumers Energy - also received general notice letters at or about the same time. USEPA asserts that the site is contaminated by various substances, primarily PCBs, as a result of discharges by various paper mills located along the river. USEPA does not claim that the Company made direct discharges into the Kalamazoo River, and NCR never had facilities at or near the Kalamazoo River site, but USEPA indicated that "NCR may be liable under Section 107 of CERCLA ... as an arranger, who by contract or agreement, arranged for the disposal, treatment and/or transportation of hazardous substances at the Site." USEPA stated that it "may issue special notice letters to [NCR] and other PRPs for future RI/FS [remedial investigation / feasibility studies] and RD/RA [remedial design / remedial action] negotiations."

In connection with the Kalamazoo River site, in December 2010 the Company, along with two other defendants, was sued in federal court by three Georgia-Pacific (GP) affiliate corporations in a private-party contribution and cost recovery action for alleged pollution. The suit, pending in Michigan, asks that the Company and other defendants pay a "fair portion" of these companies' costs. Various removal and remedial actions remain to be decided upon and performed at the Kalamazoo River site, the costs for which generally have not yet been determined; in 2017 Records of Decisions were issued for two parts of the river, and in 2018 such a decision was issued for another part of the river, but such decisions for the majority of the work are expected to be made only over the next several years. The suit alleges that the Company is liable to the GP entities as an "arranger" under CERCLA. The initial phase of the case was tried in a Michigan federal court in February 2013; on September 26, 2013 the court issued a decision that held NCR was liable as an "arranger" as of at least March 1969. (PCB-containing carbonless copy paper was produced from approximately 1954 to April 1971, and the majority of contamination at the Kalamazoo River site had occurred prior to 1969). NCR preserved its right to appeal the September 2013 decision.

In the 2013 decision the Court did not determine NCR's share of the overall liability. Relative shares of liability for the four companies were tried to the court in a subsequent phase of the case in December 2015. In a ruling issued on March 29, 2018, the court addressed responsibility for the costs that GP had incurred in the past, totaling to approximately \$50 million (GP had sought approximately \$105 million, but \$55 million of those claims were removed by the court upon motions filed by the Company and other parties); NCR and GP were each assigned a 40% share of those costs, and the other two companies were assigned 15% and 5% as their allocations. The court entered a judgment in the case on June 19, 2018, in which it indicated that it would not, allocate future costs, but would enter a declaratory judgment that the four companies together had responsibility for future costs, in amounts and shares to be determined. Cross-proceedings have been commenced to obtain recoveries from the other parties pursuant to the judgment; those proceedings are stayed pending the appeal referenced below.

NCR expects to have claims against BAT and API under the Funding Agreement, discussed above for the Kalamazoo River remediation expenses. API filed for bankruptcy protection in October 2017, and thus payment of its potential share under the Funding Agreement for so-called "future sites," which would include the Kalamazoo River site, may be at risk, but as liability under the Cost Sharing Agreement and the Funding Agreement is joint and several, the bankruptcy is not anticipated to affect the Company's ability to seek that amount from BAT. The Company will also have indemnity or reimbursement claims against AT&T and Nokia under the arrangement discussed above in connection with the Fox River matter after expenses have met a contractual threshold set out in the 1996 agreement referenced above in the Fox River discussion.

In light of the 2018 decision, the Company increased its reserve for the Kalamazoo River matter during 2018. The total reserve for Kalamazoo was \$46 million as of March 31, 2019 as compared to \$47 million as of December 31, 2018; that figure is reported on a basis that is net of expected contributions from the Company's co-obligors and, if and when the applicable threshold is reached, its indemnitors. As many aspects of the costs of remediation will not be determined for several years (and thus the high end of a range of possible costs for many areas of the site cannot be quantified at this time), the Company has made what it considers to

NCR Corporation
Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

be reasonable estimates of the low end of a range for such costs where remedies are identified, and/or of the costs of investigations and studies for areas of the river where remedies have not yet been determined, and the reserve is informed by those estimates. The extent of NCR's potential liability remains subject to many uncertainties, particularly inasmuch as remedy decisions and cost estimates will not be generated until times in the future and as most of the work to be performed will not take place until the 2020s and 2030s. Under other assumptions or estimates for possible costs of remediation, which the Company does not at this point consider to be reasonably estimable or verifiable, it is possible that the reserve the Company has taken to discontinued operations reflected in this paragraph could more than approximately double the reflected reserve.

In July 2018 the Company appealed to the United States Court of Appeals for the Sixth Circuit both the 2013 court decision, which it believes is in conflict with a decision from the Fox River trial court as to Operable Unit 1 of that site and an affirmance of that decision from the Court of Appeals for the Seventh Circuit, and the 2018 court decision, on various legal grounds. The Company filed a bond to stay any execution of the judgment pending the appeal, and its application for a stay was approved by the court.

Environmental-Related Insurance Recoveries In connection with the Fox River and other environmental sites, through March 31, 2019, NCR has received a combined gross total of approximately \$202 million in settlements reached with various of its insurance carriers. Portions of many of these settlements agreed in the 2010 through 2013 timeframe are payable to a law firm that litigated the claims on the Company's behalf. Some of the settlements cover not only the Fox River but also other environmental sites; some are limited to either the Fox River or the Kalamazoo River site. Some of the settlements are directed to defense costs and some are directed to indemnity; some settlements cover both defense costs and indemnity. The Company does not anticipate that further material insurance recoveries specific to Kalamazoo River remediation costs will be available to it, owing to considerations under applicable Michigan law. Claims with respect to Kalamazoo River defense costs have now been settled, with the amounts of those settlements included in the sum reported above.

Environmental Remediation Estimates It is difficult to estimate the future financial impact of environmental laws, including potential liabilities. NCR records environmental provisions when it is probable that a liability has been incurred and the amount or range of the liability is reasonably estimable in accordance with accounting guidance, where liabilities are not expected to be quantifiable or estimable for a period of years, the estimated costs of investigating those liabilities are recorded as a component of the reserve for that particular site. Provisions for estimated losses from environmental restoration and remediation are, depending on the site, based generally on internal and third-party environmental studies, estimates as to the number and participation level of other PRPs, the extent of contamination, estimated amounts for attorney and other fees, and the nature of required clean-up and restoration actions. Reserves are adjusted as further information develops or circumstances change. Management expects that the amounts reserved from time to time will be paid out over the period of investigation, negotiation, remediation and restoration for the applicable sites. The amounts provided for environmental matters in NCR's Condensed Consolidated Financial Statements are the estimated gross undiscounted amounts of such liabilities, without deductions for indemnity insurance, third-party indemnity claims or recoveries from other PRPs, except as qualified in the following sentences. In those cases where insurance carriers or third-party indemnitors have agreed to pay any amounts and management believes that collectability of such amounts is probable, the amounts are recorded in the Condensed Consolidated Financial Statements. For the Fox River and Kalamazoo sites, as described above, assets relating to the AT&T and Nokia indemnities and to the BAT obligations are recorded as payment is supported by contractual agreements, public filings and/or payment history.

Guarantees and Product Warranties In the ordinary course of business, NCR may issue performance guarantees on behalf of its subsidiaries to certain of its customers and other parties. Some of those guarantees may be backed by standby letters of credit, surety bonds, or similar instruments. In general, under the guarantees, NCR would be obligated to perform, or cause performance, over the term of the underlying contract in the event of an unexcused, uncured breach by its subsidiary, or some other specified triggering event, in each case as defined by the applicable guarantee. NCR believes the likelihood of having to perform under any such guarantee is remote. As of March 31, 2019 and December 31, 2018, NCR had no material obligations related to such guarantees, and therefore its Condensed Consolidated Financial Statements do not have any associated liability balance.

NCR provides its customers a standard manufacturer's warranty and records, at the time of the sale, a corresponding estimated liability for potential warranty costs. Estimated future obligations due to warranty claims are based upon historical factors, such as labor rates, average repair time, travel time, number of service calls per machine and cost of replacement parts. When a sale is consummated, the total customer revenue is recognized, provided that all revenue recognition criteria are otherwise satisfied, and the associated warranty liability is recorded using pre-established warranty percentages for the respective product classes.

From time to time, product design or quality corrections are accomplished through modification programs. When identified, associated costs of labor and parts for such programs are estimated and accrued as part of the warranty reserve.

The Company recorded the activity related to the warranty reserve for the three months ended March 31 as follows:

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Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

In millions	2019	2018
Warranty reserve liability		
Beginning balance as of January 1	\$ 26	\$ 26
Accruals for warranties issued	8	8
Settlements (in cash or in kind)	(10)	(10)
Ending balance as of March 31	<u>\$ 24</u>	<u>\$ 24</u>

In addition, NCR provides its customers with certain indemnification rights. In general, NCR agrees to indemnify the customer if a third party asserts patent or other infringement on the part of its customers for its use of the Company's products subject to certain conditions that are generally standard within the Company's industries. On limited occasions the Company will undertake additional indemnification obligations for business reasons. From time to time, NCR also enters into agreements in connection with its acquisition and divestiture activities that include indemnification obligations by the Company. The fair value of these indemnification obligations is not readily determinable due to the conditional nature of the Company's potential obligations and the specific facts and circumstances involved with each particular agreement. The Company has not recorded a liability in connection with these indemnifications, and no current indemnification instance is material to the Company's financial position. Historically, payments made by the Company under these types of agreements have not had a material effect on the Company's consolidated financial condition, results of operations or cash flows.

10. SERIES A CONVERTIBLE PREFERRED STOCK

On December 4, 2015, NCR issued 820,000 shares of Series A Convertible Preferred Stock to certain entities affiliated with the Blackstone Group L.P. (collectively, Blackstone) for an aggregate purchase price of \$820 million, or \$1,000 per share, pursuant to an Investment Agreement between the Company and Blackstone, dated November 11, 2015. In connection with the issuance of the Series A Convertible Preferred Stock, the Company incurred direct and incremental expenses of \$26 million, including financial advisory fees, closing costs, legal expenses and other offering-related expenses. These direct and incremental expenses originally reduced the Series A Convertible Preferred Stock, and will be accreted through retained earnings as a deemed dividend from the date of issuance through the first possible known redemption date, March 16, 2024. Holders of Series A Convertible Preferred Stock are entitled to a cumulative dividend at the rate of 5.5% per annum, payable quarterly in arrears. During the three months ended March 31, 2019 and 2018, the Company paid dividends-in-kind of \$12 million and \$11 million, respectively, associated with the Series A Convertible Preferred Stock. As of March 31, 2019 and December 31, 2018, the Company had accrued dividends of \$3 million, respectively, associated with the Series A Convertible Preferred Stock. There were no cash dividends declared during the three months ended March 31, 2019 or 2018.

The Series A Convertible Preferred Stock is convertible at the option of the holders at any time into shares of common stock at a conversion price of \$30.00 per share, or a conversion rate of 33.333 shares of common stock per share of Series A Convertible Preferred Stock.

As of March 31, 2019 and December 31, 2018, the maximum number of common shares that could be required to be issued upon conversion of the outstanding shares of Series A Convertible Preferred Stock was 29.4 million and 29.0 million shares, respectively.

11. EARNINGS PER SHARE

Basic earnings per share (EPS) is calculated by dividing net income or loss attributable to NCR, less any dividends (declared or cumulative undeclared), deemed dividends, accretion or decurtion, redemption or induced conversion on our Series A Convertible Preferred Stock, by the weighted average number of shares outstanding during the period.

In computing diluted EPS, we adjust the numerator used in the basic EPS computation, subject to anti-dilution requirements, to add back the dividends (declared or cumulative undeclared), deemed dividends, accretion or decurtion, redemption or induced conversion on our Series A Convertible Preferred Stock. We adjust the denominator used in the basic EPS computation, subject to anti-dilution requirements, to include the dilution from potential shares related to the Series A Convertible Preferred Stock and stock-based compensation plans.

The holders of Series A Convertible Preferred Stock, unvested restricted stock units and stock options do not have nonforfeitable rights to common stock dividends or common stock dividend equivalents. Accordingly, the Series A Convertible Preferred Stock, unvested restricted stock units and stock options do not qualify as participating securities. See Note 7. Stock Compensation Plans for share information on NCR's stock compensation plans.

NCR Corporation
Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

The components of basic earnings per share are as follows:

In millions, except per share amounts	Three months ended March 31	
	2019	2018
Numerator		
Income from continuing operations	\$ 37	\$ 55
Series A Convertible Preferred Stock dividends	(13)	(12)
Income from continuing operations attributable to NCR common stockholders	24	43
Loss from discontinued operations, net of tax	—	(35)
Net income attributable to NCR common stockholders	\$ 24	\$ 8
Denominator		
Basic weighted average number of shares outstanding	119.3	119.2
Basic earnings per share:		
From continuing operations	\$ 0.20	\$ 0.36
From discontinued operations	—	(0.29)
Total basic earnings per share	\$ 0.20	\$ 0.07

The components of diluted earnings per share are as follows:

In millions, except per share amounts	Three months ended March 31	
	2019	2018
Numerator		
Income from continuing operations	\$ 37	\$ 55
Series A Convertible Preferred Stock dividends	(13)	(12)
Income from continuing operations attributable to NCR common stockholders	24	43
Loss from discontinued operations, net of tax	—	(35)
Net income attributable to NCR common stockholders	\$ 24	\$ 8
Denominator		
Basic weighted average number of shares outstanding	119.3	119.2
Dilutive effect of restricted stock units	2.9	4.6
Denominator	122.2	123.8
Diluted earnings per share:		
From continuing operations	\$ 0.20	\$ 0.35
From discontinued operations	—	(0.29)
Total diluted earnings per share	\$ 0.20	\$ 0.06

For the three months ended March 31, 2019, shares related to the as-if converted Series A Convertible Preferred Stock of 29.2 million were excluded from the diluted share count because their effect would have been anti-dilutive. For the three months ended March 31, 2019, weighted average restricted stock units and stock options of 4.5 million were excluded from the diluted share count because their effect would have been anti-dilutive.

NCR Corporation
Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

For the three months ended March 31, 2018, shares related to the as-if converted Series A Convertible Preferred Stock of 27.7 million were excluded from the diluted share count because their effect would have been anti-dilutive. For the three months ended March 31, 2018, there were 1.4 million anti-dilutive restricted stock units and stock options outstanding.

12. DERIVATIVES AND HEDGING INSTRUMENTS

NCR is exposed to risks associated with changes in foreign currency exchange rates and interest rates. NCR utilizes a variety of measures to monitor and manage these risks, including the use of derivative financial instruments. NCR has exposure to approximately 50 functional currencies. Since a substantial portion of our operations and revenue occur outside the U.S., and in currencies other than the U.S. Dollar, our results can be significantly impacted, both positively and negatively, by changes in foreign currency exchange rates.

Foreign Currency Exchange Risk

The accounting guidance for derivatives and hedging requires companies to recognize all derivative instruments as either assets or liabilities at fair value in the Condensed Consolidated Balance Sheets. The Company designates foreign exchange contracts as cash flow hedges of forecasted transactions when they are determined to be highly effective at inception.

Our risk management strategy includes hedging, on behalf of certain subsidiaries, a portion of our forecasted, non-functional currency denominated cash flows for a period of up to 15 months. As a result, some of the impact of currency fluctuations on non-functional currency denominated transactions (and hence on subsidiary operating income, as stated in the functional currency), is mitigated in the near term. The amount we hedge and the duration of hedge contracts may vary significantly. In the longer term (greater than 15 months), the subsidiaries are still subject to the effect of translating the functional currency results to U.S. Dollars. To manage our exposures and mitigate the impact of currency fluctuations on the operations of our foreign subsidiaries, we hedge our main transactional exposures through the use of foreign exchange forward and option contracts. This is primarily done through the hedging of foreign currency denominated inter-company inventory purchases by NCR's marketing units and the foreign currency denominated inputs to our manufacturing units. The related foreign exchange contracts are designated as highly effective cash flow hedges. The gains or losses on these hedges are deferred in accumulated other comprehensive income (AOCI) and reclassified to income when the underlying hedged transaction is recorded in earnings. As of March 31, 2019, the balance in AOCI related to foreign exchange derivative transactions was a gain of \$2 million, net of tax. The gains or losses from derivative contracts related to inventory purchases are recorded in cost of products when the inventory is sold to an unrelated third party.

We also utilize foreign exchange contracts to hedge our exposure of assets and liabilities denominated in non-functional currencies. We recognize the gains and losses on these types of hedges in earnings as exchange rates change. We do not enter into hedges for speculative purposes.

NCR Corporation
Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

The following tables provide information on the location and amounts of derivative fair values in the Condensed Consolidated Balance Sheets:

In millions	Fair Values of Derivative Instruments					
	March 31, 2019					
	Balance Sheet Location	Notional Amount	Fair Value	Balance Sheet Location	Notional Amount	Fair Value
Derivatives designated as hedging instruments						
Foreign exchange contracts	Other current assets	\$ 136	\$ 5	Other current liabilities	\$ —	\$ —
Total derivatives designated as hedging instruments			\$ 5			
Derivatives not designated as hedging instruments						
Foreign exchange contracts	Other current assets	\$ 58	\$ —	Other current liabilities	\$ 276	\$ 1
Total derivatives not designated as hedging instruments			\$ —			
Total derivatives			\$ 5			

In millions	Fair Values of Derivative Instruments					
	December 31, 2018					
	Balance Sheet Location	Notional Amount	Fair Value	Balance Sheet Location	Notional Amount	Fair Value
Derivatives designated as hedging instruments						
Foreign exchange contracts	Other current assets	\$ 169	\$ 4	Other current liabilities	\$ —	\$ —
Total derivatives designated as hedging instruments			\$ 4			
Derivatives not designated as hedging instruments						
Foreign exchange contracts	Other current assets	\$ 219	\$ 1	Other current liabilities	\$ 157	\$ 1
Total derivatives not designated as hedging instruments			\$ 1			
Total derivatives			\$ 5			

NCR Corporation
Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

The effects of derivative instruments on the Condensed Consolidated Statements of Operations and Condensed Consolidated Statements of Comprehensive Income for the three months ended March 31, 2019 and 2018 were as follows:

In millions	Amount of Gain (Loss) Recognized in Other Comprehensive Income (OCI) on Derivative		Location of (Gain) Loss Reclassified from AOCI into the Condensed Consolidated Statement of Operations	Amount of (Gain) Loss Reclassified from AOCI into the Condensed Consolidated Statement of Operations	
	For the three months ended March 31, 2019	For the three months ended March 31, 2018		For the three months ended March 31, 2019	For the three months ended March 31, 2018
Derivatives in Cash Flow Hedging Relationships					
Foreign exchange contracts	\$ 1	\$ (5)	Cost of products	\$ (1)	\$ 1

In millions	Derivatives not Designated as Hedging Instruments	Location of Gain (Loss) Recognized in the Condensed Consolidated Statement of Operations	Amount of Gain (Loss) Recognized in the Condensed Consolidated Statement of Operations	
			Three months ended March 31	
			2019	2018
	Foreign exchange contracts	Other (expense), net	\$ (5)	\$ —

Refer to Note 13, "Fair Value of Assets and Liabilities" for further information on derivative assets and liabilities recorded at fair value on a recurring basis.

Concentration of Credit Risk

NCR is potentially subject to concentrations of credit risk on accounts receivable and financial instruments such as hedging instruments and cash and cash equivalents. Credit risk includes the risk of nonperformance by counterparties. The maximum potential loss may exceed the amount recognized on the Condensed Consolidated Balance Sheets. Exposure to credit risk is managed through credit approvals, credit limits, selecting major international financial institutions (as counterparties to hedging transactions) and monitoring procedures. NCR's business often involves large transactions with customers, and if one or more of those customers were to default on its obligations under applicable contractual arrangements, the Company could be exposed to potentially significant losses. However, management believes that the reserves for potential losses are adequate. As of March 31, 2019, we did not have any significant concentration of credit risk related to financial instruments.

13. FAIR VALUE OF ASSETS AND LIABILITIES

Assets and Liabilities Measured at Fair Value on a Recurring Basis

Assets and liabilities recorded at fair value on a recurring basis as of March 31, 2019 and December 31, 2018 are set forth as follows:

In millions	March 31, 2019			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Deposits held in money market mutual funds ⁽¹⁾	\$ 13	\$ 13	\$ —	\$ —
Foreign exchange contracts ⁽²⁾	5	—	5	—
Total	\$ 18	\$ 13	\$ 5	\$ —
Liabilities:				
Foreign exchange contracts ⁽³⁾	\$ 1	\$ —	\$ 1	\$ —
Total	\$ 1	\$ —	\$ 1	\$ —

NCR Corporation
Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

In millions	December 31, 2018			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Deposits held in money market mutual funds ⁽¹⁾	\$ 8	\$ 8	\$ —	\$ —
Foreign exchange contracts ⁽²⁾	5	—	5	—
Total	\$ 13	\$ 8	\$ 5	\$ —
Liabilities:				
Foreign exchange contracts ⁽³⁾	\$ 1	\$ —	\$ 1	\$ —
Total	\$ 1	\$ —	\$ 1	\$ —

⁽¹⁾ Included in Cash and cash equivalents in the Condensed Consolidated Balance Sheets.

⁽²⁾ Included in Other current assets in the Condensed Consolidated Balance Sheets.

⁽³⁾ Included in Other current liabilities in the Condensed Consolidated Balance Sheets.

Deposits Held in Money Market Mutual Funds A portion of the Company's excess cash is held in money market mutual funds that generate interest income based on prevailing market rates. Money market mutual fund holdings are measured at fair value using quoted market prices and are classified within Level 1 of the valuation hierarchy.

Foreign Exchange Contracts As a result of our global operating activities, we are exposed to risks from changes in foreign currency exchange rates, which may adversely affect our financial condition. To manage our exposures and mitigate the impact of currency fluctuations on our financial results, we hedge our primary transactional exposures through the use of foreign exchange forward and option contracts. The foreign exchange contracts are valued using the market approach based on observable market transactions of forward rates and are classified within Level 2 of the valuation hierarchy.

Assets Measured at Fair Value on a Non-recurring Basis

From time to time, certain assets are measured at fair value on a nonrecurring basis using significant unobservable inputs (Level 3). NCR reviews the carrying values of investments when events and circumstances warrant and considers all available evidence in evaluating when declines in fair value are other-than-temporary declines. There were no material impairment charges or non-recurring fair value adjustments were recorded during the three months ended March 31, 2019 and 2018.

NCR Corporation
Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

14. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS) (AOCI)

Changes in AOCI by Component

In millions	Currency Translation Adjustments	Changes in Employee Benefit Plans	Changes in Fair Value of Effective Cash Flow Hedges	Total
Balance as of December 31, 2018	\$ (234)	\$ (14)	\$ 2	\$ (246)
Other comprehensive income (loss) before reclassifications	19	—	1	20
Amounts reclassified from AOCI	—	(3)	(1)	(4)
Net current period other comprehensive (loss) income	19	(3)	—	16
Balance as of March 31, 2019	\$ (215)	\$ (17)	\$ 2	\$ (230)

Reclassifications Out of AOCI

In millions	For the three months ended March 31, 2019			
	Employee Benefit Plans			Total
	Amortization of Actuarial Loss (Gain)	Amortization of Prior Service Benefit	Effective Cash Flow Hedge Loss (Gain)	
Affected line in Condensed Consolidated Statement of Operations:				
Cost of products	\$ —	\$ —	\$ (1)	\$ (1)
Cost of services	(1)	(2)	—	(3)
Total before tax	\$ (1)	\$ (2)	\$ (1)	\$ (4)
Tax expense				—
Total reclassifications, net of tax				\$ (4)

In millions	For the three months ended March 31, 2018			
	Employee Benefit Plans			Total
	Amortization of Actuarial Loss (Gain)	Amortization of Prior Service Benefit	Effective Cash Flow Hedge Loss (Gain)	
Affected line in Condensed Consolidated Statement of Operations:				
Cost of products	\$ —	\$ —	\$ 1	\$ 1
Cost of services	—	(2)	—	(2)
Total before tax	\$ —	\$ (2)	\$ 1	\$ (1)
Tax expense				1
Total reclassifications, net of tax				\$ —

NCR Corporation
Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

15. RESTRUCTURING PLAN

In the second quarter of 2018, we announced a hardware transformation initiative to streamline our manufacturing operations that will help us reduce our exposure to variable hardware demand as well as increase global utilization rates and optimize our supply chain network. As a part of this initiative, we plan to reduce the number of manufacturing plants and move the manufacturing operations at those plants to other existing NCR facilities and current third party suppliers.

As a result of the restructuring plan, the Company recorded a total charge of \$2 million in the three months ended March 31, 2019. The restructuring program was substantially completed during the three months ended March 31, 2019.

Severance and other employee related costs The Company recorded \$1 million of employee related costs in accordance with ASC 420, *Exit or Disposal Cost Obligations*. These costs were included within cost of products in the Condensed Consolidated Statement of Operations. The Company made \$3 million in severance-related payments under ASC 420 in the three months ended March 31, 2019.

Other exit costs The Company recorded \$1 million in the three months ended March 31, 2019 that were included within cost of products in the Condensed Consolidated Statement of Operations.

The results by segment, as disclosed in Note 3. Segment Information and Concentrations, exclude the impact of these costs, which is consistent with the manner by which management assesses the performance and evaluates the results of each segment. The following table summarizes the costs recorded in accordance with ASC 420, *Exit or Disposal Cost Obligations*, and ASC 712, *Employers' Accounting for Postemployment Benefits*, and the remaining liabilities as of March 31, 2019, which are included in the Condensed Consolidated Balance Sheet in Other Current Liabilities.

In millions	March 31, 2019
Employee Severance and Other Exit Costs	
Beginning balance as of January 1	\$ 2
Cost recognized during the period	2
Utilization	(4)
Ending balance as of March 31	\$ —

16. SUPPLEMENTAL FINANCIAL INFORMATION

The components of accounts receivable are summarized as follows:

In millions	March 31, 2019	December 31, 2018
Accounts receivable		
Trade	\$ 1,342	\$ 1,364
Other	25	23
Accounts receivable, gross	1,367	1,387
Less: allowance for doubtful accounts	(32)	(31)
Total accounts receivable, net	\$ 1,335	\$ 1,356

The components of inventory are summarized as follows:

In millions	March 31, 2019	December 31, 2018
Inventories		
Work in process and raw materials	\$ 233	\$ 237
Finished goods	278	214
Service parts	363	355
Total inventories	\$ 874	\$ 806

NCR Corporation
Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

17. CONDENSED CONSOLIDATING SUPPLEMENTAL GUARANTOR INFORMATION

The Company's 5.00% Notes, 4.625% Notes, 5.875% Notes and 6.375% Notes are guaranteed by the Company's subsidiary, NCR International, Inc. (Guarantor Subsidiary), which is 100% owned by the Company and has guaranteed fully and unconditionally the obligations to pay principal and interest for these senior unsecured notes. The guarantees are subject to release under certain circumstances as described below:

- the designation of the Guarantor Subsidiary as an unrestricted subsidiary under the indenture governing the notes;
- the release of the Guarantor Subsidiary from its guarantee under the Senior Secured Credit Facility;
- the release or discharge of the indebtedness that required the guarantee of the notes by the Guarantor Subsidiary;
- the permitted sale or other disposition of the Guarantor Subsidiary to a third party; and
- the Company's exercise of its legal defeasance option of its covenant defeasance option under the indenture governing the notes.

Refer to Note 5. Debt Obligations for additional information.

In connection with the previously completed registered exchange offers for the 5.00% Notes, 4.625% Notes, 5.875% Notes and 6.375% Notes, the Company is required to comply with Rule 3-10 of SEC Regulation S-X (Rule 3-10), and has therefore included the accompanying Condensed Consolidating Financial Statements in accordance with Rule 3-10(f) of SEC Regulation S-X.

The following supplemental information sets forth, on a consolidating basis, the condensed statements of operations and comprehensive income (loss), the condensed balance sheets and the condensed statements of cash flows for the parent issuer of these senior unsecured notes, for the Guarantor Subsidiary and for the Company and all of its consolidated subsidiaries.

NCR Corporation
Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

Condensed Consolidating Statements of Operations and Comprehensive Income (Loss)
For the three months ended March 31, 2019

In millions	Parent Issuer	Guarantor Subsidiary	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Product revenue	\$ 272	\$ 3	\$ 310	\$ (46)	\$ 539
Service revenue	517	8	472	—	997
Total revenue	789	11	782	(46)	1,536
Cost of products	244	2	253	(46)	453
Cost of services	361	3	308	—	672
Selling, general and administrative expenses	139	1	112	—	252
Research and development expenses	33	—	26	—	59
Total operating expenses	777	6	699	(46)	1,436
Income (loss) from operations	12	5	83	—	100
Interest expense	(43)	—	(5)	3	(45)
Other (expense) income, net	(13)	2	6	(3)	(8)
Income (loss) from continuing operations before income taxes	(44)	7	84	—	47
Income tax expense (benefit)	38	(1)	(28)	—	9
Income (loss) from continuing operations before earnings in subsidiaries	(82)	8	112	—	38
Equity in earnings of consolidated subsidiaries	119	93	—	(212)	—
Income (loss) from continuing operations	37	101	112	(212)	38
Income (loss) from discontinued operations, net of tax	—	—	—	—	—
Net income (loss)	\$ 37	\$ 101	\$ 112	\$ (212)	\$ 38
Net income (loss) attributable to noncontrolling interests	—	—	1	—	1
Net income (loss) attributable to NCR	\$ 37	\$ 101	\$ 111	\$ (212)	\$ 37
Total comprehensive income (loss)	53	117	127	(243)	54
Less comprehensive income (loss) attributable to noncontrolling interests	—	—	1	—	1
Comprehensive income (loss) attributable to NCR common stockholders	\$ 53	\$ 117	\$ 126	\$ (243)	\$ 53

NCR Corporation
Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

Condensed Consolidating Statements of Operations and Comprehensive Income (Loss)
For the three months ended March 31, 2018

In millions	Parent Issuer	Guarantor Subsidiary	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Product revenue	\$ 277	\$ 5	\$ 282	\$ (38)	\$ 526
Service revenue	517	8	466	—	991
Total revenue	794	13	748	(38)	1,517
Cost of products	229	4	225	(38)	420
Cost of services	342	3	332	—	677
Selling, general and administrative expenses	164	1	80	—	245
Research and development expenses	46	—	20	—	66
Total operating expenses	781	8	657	(38)	1,408
Income (loss) from operations	13	5	91	—	109
Interest expense	(39)	—	(3)	1	(41)
Other (expense) income, net	(3)	1	(2)	(1)	(5)
Income (loss) from continuing operations before income taxes	(29)	6	86	—	63
Income tax expense (benefit)	(8)	2	13	—	7
Income (loss) from continuing operations before earnings in subsidiaries	(21)	4	73	—	56
Equity in earnings of consolidated subsidiaries	76	59	—	(135)	—
Income (loss) from continuing operations	55	63	73	(135)	56
Income (loss) from discontinued operations, net of tax	(35)	—	—	—	(35)
Net income (loss)	\$ 20	\$ 63	\$ 73	\$ (135)	\$ 21
Net income (loss) attributable to noncontrolling interests	—	—	1	—	1
Net income (loss) attributable to NCR	\$ 20	\$ 63	\$ 72	\$ (135)	\$ 20
Total comprehensive income (loss)	35	62	88	(149)	36
Less comprehensive income (loss) attributable to noncontrolling interests	—	—	1	—	1
Comprehensive income (loss) attributable to NCR common stockholders	\$ 35	\$ 62	\$ 87	\$ (149)	\$ 35

NCR Corporation
Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

Condensed Consolidating Balance Sheet
March 31, 2019

In millions	Parent Issuer	Guarantor Subsidiary	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Assets					
Current assets					
Cash and cash equivalents	\$ 18	\$ 6	\$ 390	\$ —	\$ 414
Accounts receivable, net	43	14	1,278	—	1,335
Inventories	293	7	574	—	874
Due from affiliates	615	2,074	404	(3,093)	—
Other current assets	133	46	255	(41)	393
Total current assets	1,102	2,147	2,901	(3,134)	3,016
Property, plant and equipment, net	257	1	115	—	373
Goodwill	2,194	—	511	—	2,705
Intangibles, net	515	—	58	—	573
Operating lease assets	282	—	151	—	433
Prepaid pension cost	—	—	148	—	148
Deferred income taxes	318	—	148	(13)	453
Investments in subsidiaries	3,338	3,001	—	(6,339)	—
Due from affiliates	16	1	35	(52)	—
Other assets	442	3	52	—	497
Total assets	\$ 8,464	\$ 5,153	\$ 4,119	\$ (9,538)	\$ 8,198
Liabilities and stockholders' equity					
Current liabilities					
Short-term borrowings	\$ 91	\$ —	\$ 206	\$ —	\$ 297
Accounts payable	379	2	407	—	788
Payroll and benefits liabilities	90	—	94	—	184
Contract liabilities	283	13	270	—	566
Due to affiliates	2,231	126	736	(3,093)	—
Other current liabilities	213	4	370	(41)	546
Total current liabilities	3,287	145	2,083	(3,134)	2,381
Long-term debt	2,911	—	3	—	2,914
Pension and indemnity plan liabilities	508	—	252	—	760
Postretirement and postemployment benefits liabilities	17	4	99	—	120
Income tax accruals	19	6	68	—	93
Due to affiliates	—	35	17	(52)	—
Operating lease liabilities	307	—	99	—	406
Other liabilities	94	19	84	(13)	184
Total liabilities	7,143	209	2,705	(3,199)	6,858
Redeemable noncontrolling interest	—	—	14	—	14
Series A convertible preferred stock	872	—	—	—	872
Stockholders' equity					
Total NCR stockholders' equity	449	4,944	1,395	(6,339)	449
Noncontrolling interests in subsidiaries	—	—	5	—	5
Total stockholders' equity	449	4,944	1,400	(6,339)	454
Total liabilities and stockholders' equity	\$ 8,464	\$ 5,153	\$ 4,119	\$ (9,538)	\$ 8,198

NCR Corporation
Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

Condensed Consolidating Balance Sheet
December 31, 2018

In millions	Parent Issuer	Guarantor Subsidiary	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Assets					
Current assets					
Cash and cash equivalents	\$ 6	\$ 8	450	\$ —	\$ 464
Accounts receivable, net	37	10	1,309	—	1,356
Inventories	288	4	514	—	806
Due from affiliates	708	2,092	457	(3,257)	—
Other current assets	137	47	255	(42)	397
Total current assets	1,176	2,161	2,985	(3,299)	3,023
Property, plant and equipment, net	245	1	113	—	359
Goodwill	2,168	—	524	—	2,692
Intangibles, net	536	—	59	—	595
Prepaid pension cost	—	—	140	—	140
Deferred income taxes	317	—	149	(18)	448
Investments in subsidiaries	3,244	2,854	—	(6,098)	—
Due from affiliates	16	1	35	(52)	—
Other assets	453	4	47	—	504
Total assets	\$ 8,155	\$ 5,021	\$ 4,052	\$ (9,467)	\$ 7,761
Liabilities and stockholders' equity					
Current liabilities					
Short-term borrowings	\$ 85	\$ —	\$ 100	\$ —	\$ 185
Accounts payable	397	2	498	—	897
Payroll and benefits liabilities	141	—	97	—	238
Contract liabilities	221	5	235	—	461
Due to affiliates	2,177	143	937	(3,257)	—
Other current liabilities	201	6	336	(42)	501
Total current liabilities	3,222	156	2,203	(3,299)	2,282
Long-term debt	2,978	—	2	—	2,980
Pension and indemnity plan liabilities	502	—	257	—	759
Postretirement and postemployment benefits liabilities	18	3	97	—	118
Income tax accruals	19	5	67	—	91
Due to affiliates	—	36	16	(52)	—
Other liabilities	162	24	91	(18)	259
Total liabilities	6,901	224	2,733	(3,369)	6,489
Redeemable noncontrolling interest	—	—	14	—	14
Series A convertible preferred stock	859	—	—	—	859
Stockholders' equity					
Total NCR stockholders' equity	395	4,797	1,301	(6,098)	395
Noncontrolling interests in subsidiaries	—	—	4	—	4
Total stockholders' equity	395	4,797	1,305	(6,098)	399
Total liabilities and stockholders' equity	\$ 8,155	\$ 5,021	\$ 4,052	\$ (9,467)	\$ 7,761

NCR Corporation
Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

Condensed Consolidating Statement of Cash Flows
For the three months ended March 31, 2019

In millions	Parent Issuer	Guarantor Subsidiary	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Net cash provided by (used in) operating activities	\$ 112	\$ (22)	\$ (106)	\$ —	\$ (16)
Investing activities					
Expenditures for property, plant and equipment	(13)	—	(9)	—	(22)
Additions to capitalized software	(36)	—	(7)	—	(43)
Proceeds from (payments of) intercompany notes	29	30	—	(59)	—
Investments in equity affiliates	—	—	10	(10)	—
Acquisitions	(6)	—	—	—	(6)
Other investing activities, net	3	—	—	—	3
Net cash provided by (used in) investing activities	(23)	30	(6)	(69)	(68)
Financing activities					
Short term borrowings, net	—	—	7	—	7
Payments on term credit facilities	(17)	—	—	—	(17)
Payments on revolving credit facilities	(375)	—	—	—	(375)
Borrowings on revolving credit facilities	330	—	100	—	430
Proceeds from employee stock plans	4	—	—	—	4
Equity contribution	—	(10)	—	10	—
Borrowings (repayments) of intercompany notes	—	—	(59)	59	—
Tax withholding payments on behalf of employees	(13)	—	—	—	(13)
Net cash provided by (used in) financing activities	(71)	(10)	48	69	36
Cash flows from discontinued operations					
Net cash used in operating activities	(6)	—	—	—	(6)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	—	—	1	—	1
Increase (decrease) in cash, cash equivalents and restricted cash	12	(2)	(63)	—	(53)
Cash, cash equivalents and restricted cash at beginning of period	7	8	461	—	476
Cash, cash equivalents and restricted cash at end of period	\$ 19	\$ 6	\$ 398	\$ —	\$ 423

In millions	March 31, 2019				
Reconciliation of cash, cash equivalents and restricted cash as shown in the Condensed Consolidated Statements of Cash Flows	Parent Issuer	Guarantor Subsidiary	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Cash and cash equivalents	\$ 18	\$ 6	\$ 390	\$ —	\$ 414
Restricted cash included in Other assets	1	—	8	—	9
Total cash, cash equivalents and restricted cash	\$ 19	\$ 6	\$ 398	\$ —	\$ 423

NCR Corporation
Notes to Condensed Consolidated Financial Statements (Unaudited)—(Continued)

Condensed Consolidating Statement of Cash Flows
For the three months ended March 31, 2018

In millions	Parent Issuer	Guarantor Subsidiary	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Net cash provided by (used in) operating activities	\$ 26	\$ (124)	\$ 74	\$ —	\$ (24)
Investing activities					
Expenditures for property, plant and equipment	(24)	—	(5)	—	(29)
Additions to capitalized software	(35)	—	(7)	—	(42)
Proceeds from (payments of) intercompany notes	54	125	—	(179)	—
Other investing activities, net	(3)	—	—	—	(3)
Net cash provided by (used in) investing activities	(8)	125	(12)	(179)	(74)
Financing activities					
Short term borrowings, net	(1)	—	—	—	(1)
Payments on term credit facilities	(34)	—	—	—	(34)
Payments on revolving credit facilities	(260)	—	(238)	—	(498)
Borrowings on revolving credit facilities	375	—	238	—	613
Repurchase of Company common stock	(165)	—	—	—	(165)
Proceeds from employee stock plans	5	—	—	—	5
Borrowings (repayments) of intercompany notes	—	—	(179)	179	—
Tax withholding payments on behalf of employees	(11)	—	—	—	(11)
Net cash provided by (used in) financing activities	(91)	—	(179)	179	(91)
Cash flows from discontinued operations					
Net cash used in operating activities	(4)	—	—	—	(4)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	—	—	5	—	5
Increase (decrease) in cash, cash equivalents, and restricted cash	(77)	1	(112)	—	(188)
Cash, cash equivalents and restricted cash at beginning of period	98	10	435	—	543
Cash, cash equivalents and restricted cash at end of period	\$ 21	\$ 11	\$ 323	\$ —	\$ 355

In millions	March 31, 2018				
Reconciliation of cash, cash equivalents and restricted cash as shown in the Condensed Consolidated Statements of Cash Flows	Parent Issuer	Guarantor Subsidiary	Non-Guarantor Subsidiaries	Eliminations	Consolidated
Cash and cash equivalents	\$ 21	\$ 11	\$ 316	\$ —	\$ 348
Restricted cash included in Other assets	—	—	7	—	7
Total cash, cash equivalents and restricted cash	\$ 21	\$ 11	\$ 323	\$ —	\$ 355

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (MD&A)

First Quarter Overview

The following were the significant events for the first quarter of 2019, each of which is discussed more fully in later sections of this MD&A:

- Revenue increased approximately 1% from the prior year period and 4% excluding unfavorable foreign currency impacts;
- Change in management of the business to an industry basis from the previous model on a solution basis to align focus to drive strategic initiatives discussed below;
- Banking revenue increased 5% and operating margin increased 80 basis points from the prior year period;
- Retail revenue decreased 2% and operating margin rate declined 160 basis points from the prior year period; and
- Hospitality revenue decreased 5% and operating margin rate declined 100 basis points from the prior year period.

Strategic Overview

The rise of digital first commerce, mobile engagement and globalization have dramatically altered the relationship between business and consumer. Increasingly, mega-trends such as big data, the Internet of things and the cloud are driving the next generation of changes in consumer behavior. Consumers now expect businesses to provide a rich, integrated and personalized experience across all commerce channels, including online, mobile and in-store. NCR is at the forefront of this commerce shift, assisting businesses of every size in their digital first channel transformation journeys. Our mission is to be the leading software- and services-led enterprise provider in the financial, retail, hospitality and telecommunications and technology industries, with solutions designed to allow businesses in the industries we serve to deliver a rich, integrated and personalized experience to consumers across digital and physical commerce channels, enabling our customers to move their business forward in a digital first environment. To fulfill this mission, we have developed a long-term growth strategy built on taking better care of our customers, improving execution of new product introductions, accelerating revenue growth and executing spend optimization programs. We believe that our mission and long-term strategy position NCR to continue to drive growth, sustainable revenue, profit and cash flow, and to improve value for all of our stakeholders.

To deliver on our mission and strategy, we are focused on the following main initiatives in 2019:

- *Customer Care* - Improve the customer experience and execution of new product introductions;
- *Stockholder Value* - Accelerate profitable top-line revenue growth by investing in and shifting our revenue mix to recurring software and services revenue streams we identify as strategic growth platforms, while improving the Company's cost structure;
- *Strategic Growth Platforms and Targeted Acquisitions* - Increase capital expenditures in strategic growth platforms and target acquisitions to gain solutions that drive the highest growth and return on investment;
- *Talent and Employee Care* - Develop, reward and retain talent with competitive recruiting, training and effective incentive-based compensation programs; and
- *Sales Enablement* - Provide our sales force with top-performing and secure products packaged to target our desired revenue mix and drive customer delight and stockholder value, as well as invest in appropriate training programs to enable success.

Potentially significant risks to the execution of our initiatives and achievement of our strategy include the strength of demand for the products we offer or will offer in the future consistent with our strategy and its effect on our businesses; domestic and global economic and credit conditions including, in particular, those resulting from the imposition or threat of protectionist trade policies or import or export tariffs, global and regional market conditions and spending trends in the financial, retail and hospitality industries, modified or new global or regional trade agreements, the determination by the United Kingdom to exit the European Union and the execution of the same; uncertainty over further potential changes in Eurozone participation and fluctuations in oil and commodity prices; our ability to transform our business model and to sell higher-margin software and services with recurring revenue, including our ability to successfully streamline our hardware operations; the success of our restructuring plans and spend optimization program; our ability to improve execution of new product offering or integration of acquired product offerings; market acceptance of new solutions; competition in the information technology industry; cybersecurity risks and compliance with data privacy and

protection requirements; disruptions in or problems with our data center hosting facilities; defects or errors in our products; the historical seasonality of our sales; tax rates and new US tax legislation; and foreign currency fluctuations.

Cybersecurity Risk Management

Similar to most companies, NCR is subject to more frequent and increasingly sophisticated cybersecurity attacks. The Company maintains cybersecurity risk management policies and procedures including disclosure controls, which it regularly evaluates for updates, for handling and responding to cybersecurity events. These policies and procedures include internal notifications and engagements and, as necessary, cooperation with law enforcement. Personnel involved in handling and responding to cybersecurity events periodically undertake tabletop exercises to simulate an event. The internal notification procedures include notifying the applicable Company attorneys, which, depending on the level of severity assigned to the event, may include direct notice to, among others, the Company's General Counsel, Ethics & Compliance Officer, and Chief Privacy Officer. Company attorneys support efforts to evaluate the materiality of any incidents, determine whether notice to third parties such as customers or vendors is required, determine whether any prohibition on insider trading is appropriate, and assess whether disclosure to stockholders or governmental filings, including with the SEC, are required. The internal notification procedures also include notifying various NCR Information Technology Services managers, subject matter experts in the Company's software department and Company leadership, depending on the level of severity assigned to the event.

Results from Operations

Three months ended March 31, 2019 Compared to Three months ended March 31, 2018

The following table shows our results for the three months ended March 31:

In millions	Three months ended March 31	
	2019	2018
Revenue	\$ 1,536	\$ 1,517
Gross margin	411	420
Gross margin as a percentage of revenue	26.8%	27.7%
Operating expenses		
Selling, general and administrative expenses	252	245
Research and development expenses	59	66
Income from operations	\$ 100	\$ 109

The following table shows our revenue by geography for the three months ended March 31:

In millions	2019	% of Total	2018	% of Total	% Increase (Decrease)	% Increase (Decrease) Constant Currency ⁽¹⁾
Americas	\$ 920	60%	\$ 889	58%	3%	5%
Europe, Middle East and Africa (EMEA)	419	27%	408	27%	3%	9%
Asia Pacific (APJ)	197	13%	220	15%	(10)%	(6)%
Consolidated revenue	\$ 1,536	100%	\$ 1,517	100%	1%	4%

The following table shows our revenue by segment for the three months ended March 31:

In millions	2019	% of Total	2018	% of Total	% Increase (Decrease)	% Increase (Decrease) Constant Currency ⁽¹⁾
Banking	\$ 758	49%	\$ 721	48%	5%	9%
Retail	511	33%	521	34%	(2)%	1%
Hospitality	193	13%	204	13%	(5)%	(4)%
Other	74	5%	71	5%	4%	7%
Consolidated revenue	\$ 1,536	100%	\$ 1,517	100%	1%	4%

⁽¹⁾ The tables above for the three months ended March 31 are presented with period-over-period revenue growth or declines on a constant currency basis. Constant currency is a non-GAAP measure that excludes the effects of foreign currency fluctuations. We calculate this information by translating prior period revenue growth at current period monthly average exchange rates. We believe that examining period-over-period revenue growth or decline excluding foreign currency fluctuations is useful for assessing the underlying performance of our business, and our management uses revenue growth adjusted for constant currency to evaluate period-over-period operating performance. This non-GAAP measure should not be considered a substitute for, or superior to, period-over-period revenue growth under GAAP.

The following table provides a reconciliation of geographic revenue percentage growth (GAAP) to revenue percentage growth constant currency (non-GAAP) for the three months ended March 31, 2019:

	Revenue % Growth (GAAP)	Favorable (unfavorable) FX impact	Revenue % Growth Constant Currency (non-GAAP)
Americas	3%	(2)%	5%
EMEA	3%	(6)%	9%
APJ	(10)%	(4)%	(6)%
Consolidated revenue	1%	(3)%	4%

The following table provides a reconciliation of segment revenue percentage growth (GAAP) to revenue percentage growth constant currency (non-GAAP) for the three months ended March 31, 2019:

	Revenue % Growth (GAAP)	Favorable (unfavorable) FX impact	Revenue % Growth Constant Currency (non-GAAP)
Banking	5%	(4)%	9%
Retail	(2)%	(3)%	1%
Hospitality	(5)%	(1)%	(4)%
Other	4%	(3)%	7%
Consolidated revenue	1%	(3)%	4%

Revenue

For the three months ended March 31, 2019 compared to the three months ended March 31, 2018, revenue increased 1% due to an increase in Banking offset by decreases in Retail and Hospitality. Foreign currency fluctuations had an unfavorable impact of 3% to the revenue comparison.

Banking revenue increased 5% due to a 21% growth in ATM revenue driven by higher backlog conversion as well as higher recurring revenue. Foreign currency fluctuations unfavorably impacted the revenue comparison by 4%.

Retail revenue decreased 2% driven by a large implementation services project in the prior year partially offset by an increase in payments and strength in self-checkout revenue. Foreign currency fluctuations had an unfavorable impact of 3% on the revenue comparison.

Hospitality revenue decreased 5% driven by lower hardware revenue partially offset by higher recurring revenue. Foreign currency fluctuations unfavorably impacted the revenue comparison by 1%.

The changes to segment revenue and the drivers thereof are discussed in further detail under "Revenue and Operating Income by Segment" below.

Gross Margin

Gross margin as a percentage of revenue in the three months ended March 31, 2019 was 26.8% compared to 27.7% in the three months ended March 31, 2018. Gross margin in the three months ended March 31, 2019 included \$8 million of costs related to restructuring and transformation initiatives and \$6 million related to acquisition-related amortization of intangibles. Gross margin in the three months ended March 31, 2018 included of \$4 million of costs related to transformation initiatives and \$7 million related to acquisition-related amortization of intangibles. Excluding these items, gross margin as a percentage of revenue decreased from 28.4% to 27.7% due to an overall unfavorable mix of revenue partially offset by gains from our services transformation initiatives.

Operating Expenses

Selling, general and administrative expenses were \$252 million, or 16.4% as a percentage of revenue, as compared to \$245 million, or 16.2% as a percentage of revenue, in the three months ended March 31, 2019 and March 31, 2018, respectively. Selling, general and administrative expenses in the three months ended March 31, 2019 included \$15 million of acquisition-related amortization of intangibles and \$15 million of costs related to restructuring and transformation initiatives. Selling, general, and administrative expenses in the three months ended March 31, 2018 included \$16 million of acquisition-related amortization of intangibles and \$10 million of costs related to our transformation initiatives costs. Excluding these items, selling, general and administrative expenses increased slightly from 14.4% as a percentage of revenue in the three months ended March 31, 2018 to 14.5% as a percentage of revenue in the three months ended March 31, 2019.

Research and development expenses were \$59 million, or 3.8% as a percentage of revenue, in the three months ended March 31, 2019 as compared to \$66 million, or 4.4% as a percentage of revenue, in the three months ended March 31, 2018. Research and development expenses in the three months ended March 31, 2019 and March 31, 2018 included \$3 million and \$2 million, respectively, of costs related to our restructuring and transformation initiatives. Excluding these costs, research and development expenses as a percentage of revenue decreased from 4.2% in the three months ended March 31, 2018 to 3.6% in the three months ended March 31, 2019 due to cost reduction benefits realized as well as an increased investment in our strategic growth platforms.

Interest and Other Expense Items

Interest expense was \$45 million in the three months ended March 31, 2019 compared to \$41 million in the three months ended March 31, 2018 due to higher interest rates.

Other expense, net was \$8 million in the three months ended March 31, 2019 compared to \$5 million in the three months ended March 31, 2018. Other expense, net in the three months ended March 31, 2019 and 2018 each included \$6 million of losses from foreign currency remeasurement and foreign exchange contracts not designated as hedging instruments.

Provision for Income Taxes

Income tax provisions for interim (quarterly) periods are based on an estimated annual effective income tax rate calculated separately from the effect of significant, infrequent or unusual items. Income tax expense was \$9 million for the three months ended March 31, 2019 compared to income tax expense of \$7 million for the three months ended March 31, 2018. The increase was primarily driven by a decrease in discrete benefits offset by lower income before taxes in the three months ended March 31, 2019. The decrease in discrete benefits was primarily driven by favorable audit settlements in international jurisdictions during the three months ended March 31, 2018 that did not recur during the three months ended March 31, 2019.

NCR is subject to numerous federal, state and foreign tax audits. While NCR believes that appropriate reserves exist for issues that might arise from these audits, should these audits be settled, the resulting tax effect could impact the tax provision and cash flows in 2019 or future periods. The Company regularly reviews our deferred tax assets for recoverability based on the evaluation

of positive and negative evidence; given current earnings and anticipated future earnings at certain subsidiaries, the Company believes that there is a reasonable possibility that sufficient positive evidence may become available that would allow the release of a valuation allowance within the next twelve months.

Loss from Discontinued Operations

In the three months ended March 31, 2019, there was no activity related to discontinued operations. In the three months ended March 31, 2018, the loss from discontinued operations, net of tax, was \$35 million driven by a ruling on the Kalamazoo environmental site.

Revenue and Operating Income by Segment

The Company manages and reports the following segments:

- **Banking** - We offer solutions to enable customers in the financial services industry to reduce costs, generate new revenue streams and enhance customer loyalty. These solutions include a comprehensive line of ATM processing hardware and software; cash management and video banking software and customer-facing digital banking services; and related installation, maintenance, and managed and professional services.
- **Retail** - We offer solutions to customers in the retail industry designed to improve selling productivity and checkout processes as well as increase service levels. These solutions primarily include retail-oriented technologies, such as point of sale terminals and point of sale software; a retail software platform with a comprehensive suite of retail software applications; innovative self-service kiosks, such as self-checkout; as well as bar-code scanners. We also offer installation, maintenance, managed and professional services as well as payment processing solutions.
- **Hospitality** - We offer technology solutions to customers in the hospitality industry, serving businesses that range from a single store or restaurant to global chains and sports and entertainment venues. Our solutions include point of sale hardware and software solutions, installation, maintenance, managed and professional services as well as payment processing solutions.
- **Other** - This category includes telecommunications and technology solutions where we offer maintenance as well as managed and professional services for third-party hardware provided to select manufacturers who value and leverage our global service capability.

Each of these segments derives its revenue by selling in the geographies in which NCR operates. Segments are measured for profitability by the Company's chief operating decision maker based on revenue and segment operating income. For purposes of discussing our operating results by segment, we exclude the impact of certain non-operational items from segment operating income, consistent with the manner by which management reviews each segment, evaluates performance, and reports our segment results under GAAP. This format is useful to investors because it allows analysis and comparability of operating trends. It also includes the same information that is used by NCR management to make decisions regarding the segments and to assess our financial performance. Our segment results are reconciled to total Company results reported under GAAP in Note 3. Segment Information and Concentrations of the Notes to Condensed Consolidated Financial Statements.

In the segment discussions below, we have disclosed the impact of foreign currency fluctuations as it relates to our segment revenue.

Banking

The following table shows the Banking revenue and operating income for the three months ended March 31:

In millions	Three months ended March 31	
	2019	2018
Revenue	\$ 758	\$ 721
Operating income	\$ 95	\$ 84
Operating income as a percentage of revenue	12.5%	11.7%

In the three months ended March 31, 2019 compared to the three months ended March 31, 2018, revenue increased 5%, due to growth of 21% in ATM revenue driven by higher backlog conversion as well as higher recurring revenue. The revenue growth was mainly driven by strength in North America partially offset by a decline in Asia Pacific. Foreign currency fluctuations had an unfavorable impact of 4% on the revenue comparison.

Operating income increased in the three months ended March 31, 2019 compared to the three months ended March 31, 2018. The increase in operating income was primarily due to a favorable mix of revenue, both by product and geography, as well as a favorable impact from productivity initiatives.

Retail

The following table shows the Retail revenue and operating income for the three months ended March 31:

In millions	Three months ended March 31	
	2019	2018
Revenue	\$ 511	\$ 521
Operating income	\$ 26	\$ 35
Operating income as a percentage of revenue	5.1%	6.7%

In the three months ended March 31, 2019 compared to the three months ended March 31, 2018, revenue decreased 2% driven by a large implementation services project in the prior year partially offset by increase in payment processing revenue and strength in self-checkout revenue. The revenue decline was mainly driven by North America and Japan partially offset by growth in Europe. Foreign currency fluctuations had an unfavorable impact of 3% on the revenue comparison.

Operating income decreased in the three months ended March 31, 2019 compared to the three months ended March 31, 2018 primarily due to an unfavorable mix of revenue.

Hospitality

The following table shows the Hospitality revenue and operating loss for the three months ended March 31:

In millions	Three months ended March 31	
	2019	2018
Revenue	\$ 193	\$ 204
Operating income	\$ 16	\$ 19
Operating income as a percentage of revenue	8.3%	9.3%

In the three months ended March 31, 2019 compared to the three months ended March 31, 2018, revenue decreased 5% due to lower hardware revenue partially offset by higher recurring revenue. The revenue decline was mainly driven by North America. Foreign currency fluctuations had an unfavorable impact of 1% on the revenue comparison.

Operating income decreased in the three months ended March 31, 2019 compared to the three months ended March 31, 2018 driven by a decline in hardware revenue, continued investment in customer satisfaction initiatives partially offset by an increase in software revenue.

Other

The following table shows the Other revenue and operating income for the three months ended March 31:

In millions	Three months ended March 31	
	2019	2018
Revenue	\$ 74	\$ 71
Operating income	\$ 10	\$ 10
Operating income as a percentage of revenue	13.5%	14.1%

In the three months ended March 31, 2019 compared to the three months ended March 31, 2018, revenue increased 4% due to an increase in recurring revenue. Foreign currency fluctuations had an unfavorable impact of 3% on the revenue comparison.

Operating income was flat in the three months ended March 31, 2019 compared to the three months ended March 31, 2018 driven by the increase in revenue offset by investment in sales resources.

Financial Condition, Liquidity, and Capital Resources

Cash used in operating activities was \$16 million in the three months ended March 31, 2019 compared to cash used in operating activities of \$24 million in the three months ended March 31, 2018. The decrease in cash used in operating activities was due to working capital improvements.

NCR's management uses a non-GAAP measure called "free cash flow" to assess the financial performance of the Company. We define free cash flow as net cash provided by (used in) operating activities and cash provided by (used in) discontinued operations, less capital expenditures for property, plant and equipment, less additions to capitalized software, plus discretionary pension contributions and settlements. We believe free cash flow information is useful for investors because it relates the operating cash flows from the Company's continuing and discontinued operations to the capital that is spent to continue and improve business operations. In particular, free cash flow indicates the amount of cash available after capital expenditures for, among other things, investments in the Company's existing businesses, strategic acquisitions, repurchases of NCR stock and repayment of debt obligations. Free cash flow does not represent the residual cash flow available for discretionary expenditures, since there may be other non-discretionary expenditures that are not deducted from the measure. Free cash flow does not have a uniform definition under GAAP, and therefore NCR's definition may differ from other companies' definitions of this measure. This non-GAAP measure should not be considered a substitute for, or superior to, cash flows from operating activities under GAAP.

The table below reconciles net cash provided by operating activities to NCR's non-GAAP measure of free cash flow for the three months ended March 31:

In millions	Three months ended March 31	
	2019	2018
Net cash used in operating activities	\$ (16)	\$ (24)
Expenditures for property, plant and equipment	(22)	(29)
Additions to capitalized software	(43)	(42)
Net cash used in discontinued operations	(6)	(4)
Free cash outflow (non-GAAP)	\$ (87)	\$ (99)

The decrease in expenditures for property, plant and equipment is primarily due to tenant improvements in our new world headquarters completed in the previous period, which were partially reimbursed by the lessor and included in net cash provided by operating activities.

Financing activities and certain other investing activities are not included in our calculation of free cash flow. Other investing activities primarily include business acquisitions, divestitures and investments as well as proceeds from the sale of property, plant and equipment.

Our financing activities primarily include proceeds from employee stock plans, repurchases of NCR common stock and borrowings and repayments of credit facilities and notes. During the three months ended March 31, 2018, we repurchased a total of \$165 million of our common stock. There were no repurchases of our common stock completed during the three months ended March 31, 2019. During the three months ended March 31, 2019 and 2018, proceeds from employee stock plans were \$4 million and \$5 million, respectively. During the three months ended March 31, 2019 and 2018, we paid \$13 million and \$11 million, respectively, of tax withholding payments on behalf of employees for stock based awards that vested.

Long Term Borrowings As of March 31, 2019, our senior secured credit facility consisted of a term loan facility with an aggregate outstanding principal balance of \$743 million, and a revolving credit facility in an aggregate principal amount of \$1.1 billion, of which \$75 million was outstanding, subject to certain covenant limitations. Additionally, the revolving credit facility has up to \$400 million available to certain foreign subsidiaries. Loans under the revolving credit facility are available in U.S. Dollars, Euros and Pound Sterling. The revolving credit facility also allows a portion of the availability to be used for outstanding letters of credit, and as of March 31, 2019, there were no letters of credit outstanding. As of December 31, 2018, the outstanding principal balance of the term loan facility was \$759 million and the outstanding balance on the revolving facility was \$120 million.

As of March 31, 2019 and December 31, 2018, we had outstanding \$700 million in aggregate principal balance of 6.375% senior unsecured notes due in 2023, \$600 million in aggregate principal balance of 5.00% senior unsecured notes due in 2022, \$500 million in aggregate principal balance of 4.625% senior unsecured notes due in 2021 and \$400 million in aggregate principal balance of 5.875% senior unsecured notes due in 2021.

Our revolving trade receivables securitization facility provides the Company with up to \$200 million in funding based on the availability of eligible receivables and other customary factors and conditions. As of March 31, 2019 and December 31, 2018, the Company had \$200 million and \$100 million, respectively, outstanding under the facility.

Employee Benefit Plans In 2019, we expect to make contributions of \$28 million to our international pension plans, \$30 million to our postemployment plan and \$2 million to our postretirement plan. For additional information, refer to Note 8. Employee Benefit Plans of the Notes to the Condensed Consolidated Financial Statements.

Transformation and Restructuring Initiatives Our previously announced transformation and restructuring initiatives continue to progress and remain on track. Our services performance and profit improvement program continues to deliver revenue growth and margin expansion. Our manufacturing transformation initiatives to move to a variable cost structure by reducing the number of manufacturing plants and ramping up production with contract manufacturers is substantially complete. Additionally, we are benefiting from our spend optimization program to drive cost savings through operational efficiencies to generate at least \$100 million of savings in 2019 and are on track with the actions completed and delivering benefits through March 31, 2019. This initiative will create efficiencies in our corporate functions, reduce spend in the non-strategic areas and limit discretionary spending. We incurred a pre-tax charge of \$26 million in the first quarter of 2019 with a cash impact of \$18 million. In 2019, for all initiatives, we expect to incur a pre-tax charge of \$60 million and a cash impact of \$70 million to \$80 million.

Series A Convertible Preferred Stock On December 4, 2015, NCR issued 820,000 shares of Series A Convertible Preferred Stock to certain entities affiliated with the Blackstone Group L.P. for an aggregate purchase price of \$820 million, or \$1,000 per share, pursuant to an Investment Agreement between the Company and Blackstone, dated November 11, 2015. In connection with the issuance of the Series A Convertible Preferred Stock, the Company incurred direct and incremental expenses of \$26 million. These direct and incremental expenses reduced the Series A Convertible Preferred Stock, and will be accreted through retained earnings as a deemed dividend from the date of issuance through the first possible known redemption date, March 16, 2024. Holders of Series A Convertible Preferred Stock are entitled to a cumulative dividend at the rate of 5.5% per annum, payable quarterly in arrears. During the three months ended March 31, 2019 and 2018, the Company paid dividends-in-kind of \$12 million and \$11 million, respectively, associated with the Series A Convertible Preferred Stock. As of March 31, 2019 and December 31, 2018, the Company had accrued dividends of \$3 million, respectively, associated with the Series A Convertible Preferred Stock. There were no cash dividends declared during the three months ended March 31, 2019 or 2018.

The Series A Convertible Preferred Stock is convertible at the option of the holders at any time into shares of common stock at a conversion price of \$30.00 per share, or a conversion rate of 33.333 shares of common stock per share of Series A Convertible Preferred Stock.

As of March 31, 2019 and December 31, 2018, the maximum number of common shares that could be required to be issued upon conversion of the outstanding shares of the Series A Convertible Preferred Stock was 29.4 million and 29.0 million, respectively.

Cash and Cash Equivalents Held by Foreign Subsidiaries Cash and cash equivalents held by the Company's foreign subsidiaries at March 31, 2019 and December 31, 2018 were \$395 million and \$443 million, respectively. Under current tax laws and regulations, if cash and cash equivalents and short-term investments held outside the U.S. are distributed to the U.S. in the form of dividends or otherwise, we may be subject to additional U.S. income taxes and foreign withholding taxes, which could be significant.

Summary As of March 31, 2019, our cash and cash equivalents totaled \$414 million and our total debt was \$3.23 billion. As of March 31, 2019, our borrowing capacity under the revolving credit facility was approximately \$1.0 billion, and under our trade receivables securitization facility was zero. Our ability to generate positive cash flows from operations is dependent on general economic conditions, competitive pressures, and other business and risk factors described in Item 1A of Part I of the Company's 2018 Annual Report on Form 10-K and Item 1A of Part II of this Quarterly Report on Form 10-Q. If we are unable to generate sufficient cash flows from operations, or otherwise comply with the terms of our credit facilities or senior unsecured notes, we may be required to seek additional financing alternatives.

We believe that we have sufficient liquidity based on our current cash position, cash flows from operations and existing financing to meet our required pension, postemployment, and postretirement plan contributions, remediation and other payments related to the Fox River and Kalamazoo River environmental matters, debt servicing obligations, and our operating requirements for the next twelve months.

Contractual and Other Commercial Commitments

The Company's uncertain tax positions are not expected to have a significant impact on liquidity or sources and uses of capital resources. Our product warranties are discussed in Note 9. Commitments and Contingencies of the Notes to Condensed Consolidated Financial Statements.

Off-Balance Sheet Arrangements

We have no material off-balance sheet arrangements as defined by SEC Regulation S-K Item 303 (a) (4) (ii).

Critical Accounting Policies and Estimates

Management reassessed the critical accounting policies as disclosed in our 2018 Annual Report on Form 10-K and determined that there were no changes to our critical accounting policies or our estimates associated with those policies in the three months ended March 31, 2019.

New Accounting Pronouncements

See discussion in Note 1. Basis of Presentation and Summary of Significant Accounting Policies of the Notes to Condensed Consolidated Financial Statements for new accounting pronouncements.

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. Forward-looking statements use words such as "expect," "anticipate," "outlook," "intend," "plan," "believe," "will," "should," "would," "could" and words of similar meaning. Statements that describe or relate to NCR's plans, goals, intentions, strategies or financial outlook, and statements that do not relate to historical or current fact, are examples of forward-looking statements. Forward-looking statements are based on our current beliefs, expectations and assumptions, which may not prove to be accurate, and involve a number of known and unknown risks and uncertainties, many of which are out of NCR's control. Forward-looking statements are not guarantees of future performance, and there are a number of important factors that could cause actual outcomes and results to differ materially from the results contemplated by such forward-looking statements, including those factors relating to: the strength of demand for ATMs and other financial services hardware and its effect on the results of our businesses and reportable segments; our ability to generate accurate forecasts of product demand and to engage third-party suppliers appropriately to meet that demand, including the on-boarding of new or additional suppliers; domestic and global economic and credit conditions including, in particular, those resulting from uncertainty in the "BRIC" economies, economic sanctions against Russia, the determination by Britain to exit the European Union, the potential for changes to global or regional trade agreements or the imposition of protectionist trade policies, and the imposition of import or export tariffs or border adjustments; the impact of our indebtedness and its terms on our financial and operating activities; the impact of the terms of our strategic relationship with Blackstone and our Series A Convertible Preferred Stock; the transformation of our business model and our ability to sell higher-margin software and services; the possibility of disruptions in or problems with our data center hosting facilities; cybersecurity risks and compliance with data privacy and protection requirements; our ability to successfully introduce new solutions and compete in the information technology industry; our ability to improve execution in our sales and services organizations; defects or errors in our products; manufacturing disruptions, including those caused by or related to outsourced

manufacturing; collectability difficulties in subcontracting relationships in Emerging Industries; the historical seasonality of our sales; foreign currency fluctuations; the availability and success of acquisitions, divestitures and alliances; our pension strategy and underfunded pension obligation; the success of our restructuring plans and cost reduction initiatives, including those in our Hardware segment; tax rates; reliance on third party suppliers; development and protection of intellectual property; workforce turnover and the ability to attract and retain skilled employees; uncertainties or delays associated with the transition of key business leaders; environmental exposures from our historical and ongoing manufacturing activities; and uncertainties with regard to regulations, lawsuits, claims and other matters across various jurisdictions. Additional information concerning these and other factors can be found in the Company's filings with the U.S. Securities and Exchange Commission, including the Company's most recent annual report on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K. Any forward-looking statement speaks only as of the date on which it is made. The Company does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Information About NCR

NCR encourages investors to visit its web site (<http://www.ncr.com>), which is updated regularly with financial and other important information about NCR. The contents of the Company's web site are not incorporated into this quarterly report or the Company's other filings with the U.S. Securities and Exchange Commission.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market Risk

We are exposed to market risks primarily from changes in foreign currency exchange rates and interest rates. It is our policy to manage our foreign exchange exposure and debt structure in order to manage capital costs, control financial risks and maintain financial flexibility over the long term. In managing market risks, we employ derivatives according to documented policies and procedures, including foreign currency contracts and interest rate swaps. We do not use derivatives for trading or speculative purposes.

Foreign Exchange Risk

Since a substantial portion of our operations and revenue occur outside the United States, and in currencies other than the U.S. Dollar, our results can be significantly impacted by changes in foreign currency exchange rates. We have exposure to approximately 50 functional currencies and are exposed to foreign currency exchange risk with respect to our sales, profits and assets and liabilities denominated in currencies other than the U.S. Dollar. Although we use financial instruments to hedge certain foreign currency risks, we are not fully protected against foreign currency fluctuations and our reported results of operations could be affected by changes in foreign currency exchange rates. To manage our exposures and mitigate the impact of currency fluctuations on the operations of our foreign subsidiaries, we hedge our main transactional exposures through the use of foreign exchange forward and option contracts. These foreign exchange contracts are designated as highly effective cash flow hedges. This is primarily done through the hedging of foreign currency denominated inter-company inventory purchases by the marketing units. All of these transactions are forecasted. We also use derivatives not designated as hedging instruments consisting primarily of forward contracts to hedge foreign currency denominated balance sheet exposures. For these derivatives we recognize gains and losses in the same period as the remeasurement losses and gains of the related foreign currency-denominated exposures.

We utilize non-exchange traded financial instruments, such as foreign exchange forward and option contracts, that we purchase exclusively from highly rated financial institutions. We record these contracts on our balance sheet at fair market value based upon market price quotations from the financial institutions. We do not enter into non-exchange traded contracts that require the use of fair value estimation techniques, but if we did, they could have a material impact on our financial results.

For purposes of analyzing potential risk, we use sensitivity analysis to quantify potential impacts that market rate changes may have on the fair values of our hedge portfolio related to firmly committed or forecasted transactions. The sensitivity analysis represents the hypothetical changes in value of the hedge position and does not reflect the related gain or loss on the forecasted underlying transaction. A 10% appreciation or depreciation in the value of the U.S. Dollar against foreign currencies from the prevailing market rates would have resulted in a corresponding increase or decrease of \$12 million as of March 31, 2019 in the fair value of the hedge portfolio. The Company expects that any increase or decrease in the fair value of the portfolio would be substantially offset by increases or decreases in the underlying exposures being hedged.

The U.S. Dollar was stronger in the first quarter of 2019 compared to the first quarter of 2018 based on comparable weighted averages for our functional currencies. This had an unfavorable impact of 3% on first quarter 2019 revenue versus first quarter 2018 revenue. This excludes the effects of our hedging activities and, therefore, does not reflect the actual impact of fluctuations in exchange rates on our operating income.

Interest Rate Risk

We are subject to interest rate risk principally in relation to variable-rate debt. Approximately 68% of our borrowings were on a fixed rate basis as of March 31, 2019. The increase in pre-tax interest expense for the three months ended March 31, 2019 from a hypothetical 100 basis point increase in variable interest rates would be approximately \$3 million.

Concentrations of Credit Risk

We are potentially subject to concentrations of credit risk on accounts receivable and financial instruments, such as hedging instruments and cash and cash equivalents. Credit risk includes the risk of nonperformance by counterparties. The maximum potential loss may exceed the amount recognized on the balance sheet. Exposure to credit risk is managed through credit approvals, credit limits, selecting major international financial institutions (as counterparties to hedging transactions) and monitoring procedures. Our business often involves large transactions with customers for which we do not require collateral. If one or more of those customers were to default in its obligations under applicable contractual arrangements, we could be exposed to potentially significant losses. Moreover, a prolonged downturn in the global economy could have an adverse impact on the ability of our customers to pay their obligations on a timely basis. We believe that the reserves for potential losses are adequate. As of March 31, 2019, we did not have any significant concentration of credit risk related to financial instruments.

Item 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

NCR has established disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934 (the Exchange Act)) to provide reasonable assurance that information required to be disclosed by NCR in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to provide reasonable assurance that information required to be disclosed by NCR in the reports that it files or submits under the Exchange Act is accumulated and communicated to NCR's management, including its Chief Executive and Chief Financial Officers, as appropriate to allow timely decisions regarding required disclosure. Based on their evaluation as of the end of the first quarter of 2019, conducted under their supervision and with the participation of management, the Company's Chief Executive and Chief Financial Officers have concluded that NCR's disclosure controls and procedures are effective to meet such objectives and that NCR's disclosure controls and procedures adequately alert them on a timely basis to material information relating to the Company (including its consolidated subsidiaries) required to be included in NCR's Exchange Act filings.

Changes in Internal Control over Financial Reporting

We have implemented new internal controls to ensure we adequately evaluated our contracts and properly assessed the impact of the new accounting standard related to leases on our financial statements as result of the adoption of new accounting guidance which was effective on January 1, 2019. There have been no other changes in our internal control over financial reporting during the period covered by this report 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

The information required by this item is included in Note 9. Commitments and Contingencies of the Notes to Condensed Consolidated Financial Statements in this quarterly report and is incorporated herein by reference.

Item 1A. RISK FACTORS

There have been no material changes to the risk factors previously disclosed in Part I, Item IA ("Risk Factors") of the Company's 2018 Annual Report on Form 10-K.

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

On October 19, 2016, the Board approved a share repurchase program, with no expiration from the date of authorization, for the systematic repurchase of the Company's common stock to offset the dilutive effects of the Company's employee stock purchase plan, equity awards and in-kind dividends on the Company's Series A Convertible Preferred Stock. Availability under this program accrues quarterly based on the average value of dilutive issuances during the quarter.

On March 12, 2017, the Board approved a second share repurchase program, with no expiration from the date of authorization, that provides for the repurchase of up to \$300 million of the Company's common stock. On July 25, 2018, the Board authorized an incremental \$200 million of share repurchases under this program.

No shares were repurchased under these programs during the three months ended March 31, 2019.

As of March 31, 2019, \$290 million was available for repurchases under the March 2017 program, and approximately \$363 million was available for repurchases under the October 2016 dilution offset program. The timing and amount of repurchases under these programs depend upon market conditions and may be made from time to time in open market purchases, privately negotiated transactions, accelerated stock repurchase programs, issuer self-tender offers or otherwise. The repurchases will be made in compliance with applicable securities laws and may be discontinued at any time.

The Company occasionally purchases vested restricted stock or exercised stock options at the current market price to cover withholding taxes. For the three months ended March 31, 2019, 474,191 shares were purchased at an average price of \$28.67 per share.

The Company's ability to repurchase its common stock is restricted under the Company's senior secured credit facility and terms of the indentures for the Company's senior unsecured notes, which prohibit certain share repurchases, including during the occurrence of an event of default, and establish limits on the amount that the Company is permitted to allocate to share repurchases and other restricted payments. The limitations are calculated using formulas based generally on 50% of the Company's consolidated net income for the period beginning in the third quarter of 2012 through the end of the most recently ended fiscal quarter, subject to certain other adjustments and deductions, with certain prescribed minimums. These formulas are described in greater detail in the Company's senior secured credit facility and the indentures for the Company's senior unsecured notes, each of which is filed with the SEC.

2019 Stock Option Award Agreement
NCR Corporation 2017 Stock Incentive Plan
(Non-Statutory Stock Option)

You have been awarded an Option to purchase common stock (“Shares”) from NCR Corporation. See www.netbenefits.fidelity.com for your award details, including your purchase price per Share (“Exercise Price”). Your award is subject to the terms of this Agreement, including non-competition and other restrictive covenants. Your award is also subject to the NCR Corporation 2017 Stock Incentive Plan terms, as may be amended from time to time (“Plan”), which defines capitalized terms not defined herein.

1. **Grant of Option.** Your right to exercise the Option will expire on the seventh (7th) anniversary (the “Expiration Date”) of the Grant Date, unless sooner terminated due to your Termination of Employment as described below. If the Expiration Date falls on a Saturday, Sunday or holiday, it will be deemed to occur on the next following business day.

2. **Vesting.** The Option will become nonforfeitable, and the portion of the Option that has vested may be exercised to receive Shares (“Option Shares”), in equal annual installments (subject to mathematical rounding performed by NCR’s third party administrator (“TPA”)) on each of the first (1st), second (2nd), third (3rd) and fourth (4th) anniversaries of the Grant Date (each, a “Vesting Date”). This vesting schedule is contingent upon your continuous employment with NCR Corporation (“NCR” or “Company”) or a Subsidiary or Affiliate of NCR (each, an “Employer”) as of and until each of the Vesting Dates. In the event of your Termination of Employment prior to the fourth (4th) anniversary of the Grant Date, except as otherwise provided below, the Option will terminate with respect to the then unvested portions. The Option is referred to in this Agreement as “Vested” to the extent it has become vested pursuant to this Section 2 or Section 3 below.

3. **Certain Events Resulting in Accelerated Vesting Date.** The Plan provides for what happens in connection with certain events resulting in accelerated vesting of Awards. The following chart describes the more common events. Except as otherwise provided below, in the event of your Termination of Employment prior to the applicable Vesting Date for any reason, all unvested Options will automatically terminate and be forfeited and no shares or cash will be issued or paid (as the case may be).

Termination Provisions

Termination Event	Treatment of Option
Retirement or Involuntary Termination (other than for Cause)	A pro rata portion of the unvested Option will become Vested, determined by: (a) multiplying the number of Shares subject to the Option awarded pursuant to this Agreement by a fraction, the numerator of which is the number of days that you completed as an employee of the Employer during the period beginning on the Grant Date and ending on the last Vesting Date for the Option awarded under this Agreement, and the denominator of which is the number of days during the period beginning on the Grant Date and ending on the last Vesting Date for the Option awarded pursuant to this Agreement, and then (b) subtracting from the resulting amount the portion of the Option awarded pursuant to this Agreement that previously Vested under this Agreement (if any). The Vested portion of the Option may be exercised until the earlier of: (i) the first (1 st) year anniversary of the date of Retirement or Involuntary Termination (other than for Cause), or (ii) the Expiration Date. Any unvested portion of the Option that does not vest in accordance with the foregoing will terminate and be forfeited.
Termination for Cause or Voluntary Resignation	The Option will automatically terminate and the entire unexercised Vested and unvested portion of the Option will terminate and be forfeited and will not be exercisable as of the date of such Termination of Employment by the Company for Cause or Voluntary Resignation.
Death, Disability, Change in Control Termination or Good Reason Termination	The Option shall be fully Vested immediately upon your Termination of Employment due to death, Disability, a Change in Control Termination or a Good Reason Termination, and the Option may be exercised until the earlier of: (A) the first (1 st) anniversary of your Termination of Employment, or (B) the Expiration Date.

For purposes of this Agreement, “Disability” means a disability for which you qualify for benefits under the NCR Long-Term Disability Plan or another long-term disability plan sponsored by NCR, its Subsidiaries or Affiliates. “Retirement” means your Termination of Employment when you are age 62 or older with at least 10 years of continuous service with the Company and its Subsidiaries and Affiliates for the period ending on the date of your Termination of Employment (but excluding service with any

entity whose stock or assets were acquired by the Company for the period prior to such acquisition). “Involuntary Termination (other than for Cause)” means Termination of Employment by the Company or the Employer for any reason other than for Cause (as defined in the Plan and, for the avoidance of doubt not including any termination due to your Disability), excluding termination by the Company, the Employer, or the continuing entity or successor during the twenty-four (24) months following a Change in Control. “Change in Control Termination” means a Termination of Employment by the Company, the Employer or the continuing entity or successor other than for Cause (as defined in the NCR Change in Control Severance Plan, to the extent that you are a participant in the NCR Change in Control Severance Plan at the time of such Termination of Employment; otherwise as defined in the Plan and, for the avoidance of doubt, not including any termination due to your Disability) occurring during the twenty-four (24) months following a Change in Control wherein this Award is assumed, converted or replaced by the continuing entity or successor. “Good Reason Termination” means, if you are a participant in the NCR Change in Control Severance Plan, or an NCR policy or similar arrangement or individual agreement that defines “Good Reason” in the context of a resignation following a Change in Control, your Termination of Employment for Good Reason as so defined within twenty-four (24) months following a Change in Control.

Notwithstanding any provisions in this Agreement to the contrary other than Sections 4, 10, 12, and 24, in the event a Change in Control occurs prior to a Vesting Date and the Option award is not assumed, converted or replaced by the continuing entity or successor, the Option shall become fully Vested immediately prior to the Change in Control.

4. **Confidentiality.** You agree that the terms of this Agreement are to remain confidential and you will not disclose the terms of this Agreement to anyone other than your spouse, domestic partner, tax advisor, or attorney, or as required by law. You agree that you will require that persons to whom disclosure is made as permitted by this paragraph will keep any such information confidential and will not disclose it to others. Notwithstanding this confidentiality provision, you may disclose to any prospective employer the fact that you are subject to obligations of non-disclosure, non-competition, non-solicitation, and non-recruit/hire and may provide those sections of this Agreement to such prospective employer. A disclosure by you of this Agreement required pursuant to any person, court or non-governmental proceeding will not constitute a breach of this Agreement if, to the extent permitted under the circumstances, you: (a) have first provided notice to NCR and its General Counsel, at law.notices@ncr.com, and provided an opportunity to NCR to protect such information by protective order or other means; and (b) you disclose only that portion of this Agreement that you are legally required to disclose. [FOR US EMPLOYEES ONLY:] However, upon request by a U.S. government agency, such as the Securities and Exchange Commission (“SEC”) or the Department of Justice (“DOJ”) in connection with a government investigation, you may provide a copy of this Agreement to the agency without first providing notice to NCR.

5. **Adjustments Based on Certain Changes in the Common Stock.** In the event of any stock split, reverse stock split, stock dividend, recapitalization or similar change affecting the Common Stock, the Award shall be equitably adjusted in accordance with Section 3.04 of the Plan.

6. **Exercise of Option.** The Option shall be exercisable in accordance with procedures established by the administrator of NCR’s stock option program, including broker-assisted cashless exercises. In countries where deemed mandatory, upon exercise, the purchase price will be paid by simultaneous sale of the Option Shares exercised, in such a manner that NCR is not subject to taxation upon grant of the option award.

To the extent legally permissible under applicable local laws, rules and regulations, if the Option is Vested and outstanding on the Expiration Date (or such earlier date that the Option would otherwise terminate pursuant to this Agreement), then, the Option shall be automatically exercised on the Expiration Date (or such earlier date that the Option would otherwise terminate pursuant to this Agreement) without further action by you (or your beneficiary or estate), if the Fair Market Value per Option Share exceeds the Exercise Price per Option Share on such date. Any such automatic exercise shall be made in accordance with net exercise procedures established by NCR and the administrator of NCR’s stock option program, whereby NCR will withhold from the Option Shares the number of Option Shares necessary to satisfy the Exercise Price. In no event shall NCR, its employees or agents be liable for any direct, indirect, punitive, incidental, special or consequential damages or any damages whatsoever arising out of or in any related to the automatic exercise feature in this Section. By accepting the Option, you agree to the automatic exercise of the Option pursuant to this Section and the terms hereof.

7. **Settlement of Option Upon Exercise.** Within a reasonable period after any Vested portion of the Option is exercised, NCR will instruct its transfer agent and/or TPA to credit you or your successor with the number of Option Shares you exercised. Neither you nor your legal representative shall be, or have any of the rights and privileges of, a stockholder of NCR in respect of any Shares purchasable upon the exercise of the Option, in whole or in part, unless and until NCR credits you with, or causes a credit to you of, such Option Shares.

8. **Compliance with Section 409A of the Code.** The intent of the parties is that payments under this Agreement comply with Section 409A of the Code or are exempt there from, and this Agreement shall be interpreted, administered and governed in accordance with such intent.

9. **Withholding.** (a) Prior to any relevant tax or tax withholding event (as applicable) and as a condition of your receiving any Option shares with respect to which the Option has been exercised, you agree to make arrangements satisfactory to NCR and/or the Employer to satisfy all income tax, social insurance tax, payroll tax, fringe benefits tax or other Federal, state or local tax payment or withholding requirements or other tax related items (collectively, “Tax-Related Items”) applicable to you as a result of or related to your participation in the Plan. In this regard, you agree to pay to NCR, including, at NCR’s sole discretion, through payroll withholding or other method prescribed by the Chief Human Resources Officer, an amount equal to the amount of such Tax-Related Items required to be paid or withheld with respect to the exercise of the Option as determined in the sole discretion of NCR; provided that you will be required to pay any such amount prior to the tax or tax withholding event (as applicable) and as a condition of your receiving the Option Shares to be issued in respect of the exercise of the Option. Such payment of Tax-Related Items shall be made by NCR withholding shares of Common Stock that are issuable upon exercise of the Option equal to the amount required to be withheld or paid as determined by NCR, except to the extent that: (i) the Chief Human Resources Officer permits payment for such Tax-Related Items in cash by an employee other than an executive officer of NCR (“Executive Officer”) subject to Section 16 of the Securities Exchange Act of 1934, as amended (the “Act”), or (ii) you are an Executive Officer and you elect to make payment for such Tax-Related Items in cash or by instructing NCR and any brokerage firm determined acceptable to NCR for such purpose to sell on your behalf the whole number of shares of Common Stock issuable upon exercise of the Option that NCR determines to be appropriate to generate the cash proceeds sufficient to satisfy such Tax-Related Items. Any withholding of shares or sale or cash payment pursuant to this Section shall occur on the date that the requirement to withhold or pay taxes arises, or as soon as practicable thereafter if permitted by NCR. To the extent that you are an Executive Officer who instructs a brokerage firm sale permitted by this Section, you will be responsible for, and will indemnify and hold NCR and the Employer harmless with respect to, any and all losses, costs, damages or other expenses (including brokerage fees and other similar costs related directly to any such sale of Common Stock) arising in connection with, or related to, any such sale. You acknowledge that if, at the time any shares of Common Stock are sold to satisfy requirements relating to Tax-Related Items pursuant to this Section, you are an Executive Officer as defined above, any such sale of Common Stock must be made pursuant to an exemption from the requirements under Section 16(b) of the Act.

(b) You acknowledge that, regardless of any action taken by NCR or the Employer, the ultimate liability for all Tax-Related Items is and remains your responsibility and may exceed the amount actually withheld by NCR or the Employer. Depending on the withholding method, NCR may withhold or account for Tax-Related Items by considering such statutory withholding rates as may be determined applicable in the discretion of the Chief Human Resources Officer that will not result in an adverse accounting consequence or cost.

10. **Non-Competition, Non-Solicitation and Non-Recruit/Hire.**

(a) Pursuant to your employment with NCR (“**the Company**”), you have or will have access to, and knowledge of, certain confidential information (including, without limitation, trade secrets and information about the Company’s business, operations, customers, employees, and industry relationships) not known to, or readily ascertainable by, the public or NCR’s competitors and that gives the Company a competitive advantage (“**Confidential Information**”). You acknowledge that any unauthorized use (including use for your own benefit or to the benefit of others), transfer, or disclosure by you of NCR’s Confidential Information can place NCR at a competitive disadvantage and cause damage, financial and otherwise, to its business. You further acknowledge that, because of the knowledge of and access to the Confidential Information of the Company that you have acquired or will have acquired during your employment, you will be in a position to compete unfairly with the Company following the termination of your employment.

(b) **Post-Employment Restrictive Covenants.** Therefore, for the purpose of protecting NCR’s business interests, including the Confidential Information, goodwill and stable trained workforce of the Company, and in exchange for the benefits and consideration provided to you under this Agreement (including, without limitation, the potential future vesting of Stock Units), you agree that, for a 12-month period after the termination of your NCR employment (or if applicable law mandates a maximum time that is shorter than 12 months, then for a period of time equal to that shorter maximum period) (the “**Restricted Period**”), regardless of the reason for termination, you will not, without the prior written consent of the Chief Executive Officer of NCR:

(1). **Non-Recruit/Hire** - Directly or indirectly (including without limitation assisting third parties) recruit, hire or solicit, or attempt to recruit, hire or solicit any employee of NCR, induce or attempt to induce any employee of NCR to terminate his or her employment with NCR, or refer any such employee to anyone outside of the Company for the purpose of that NCR’s employee’s seeking, obtaining, or entering into an employment relationship or agreement to provide services;

(2). **Non-Solicitation** - Directly or indirectly (including without limitation assisting others), solicit or attempt to solicit the business of any NCR customers or prospective customers with which you had Material Contact (as defined in Section 10(c) (i) below) during the last 2 years of your NCR employment for purposes of providing products or services that are competitive with those provided by NCR;

(3). **Non-Competition** - Perform services, directly or indirectly, in any capacity (including, without limitation, as an employee, consultant, contractor, owner or member of a board of directors):

(i) Of the type conducted, authorized, offered, or provided by you on behalf of NCR during the 2 years prior to

termination of your NCR employment;

(ii) In connection with NCR Competing Products/Services (as defined in Section 10(c)(ii)) that are similar to or serve substantially the same functions as those with respect to which you worked during the 2 years prior to termination of your NCR employment or about which you obtained trade secret or other Confidential Information;

(iii) Within the geographic territories (including countries and regions, if applicable, or types, classes or tiers of customers if no geographic territory was assigned to you) where or for which you performed, were assigned, or had responsibilities for such services during the 2 years preceding your termination; and

(iv) On behalf of a Competing Organization (as defined in Section 10(c)(iii)).

(c) For purposes of Section 10 of this Agreement, the following definitions shall apply:

(i) **“Material Contact”** means the contact between you and each customer or prospective customer (a) with which you dealt on behalf of NCR, (b) whose dealings with NCR were coordinated or supervised by you, (c) about whom you obtained confidential information in the ordinary course of business as a result of your association with NCR, or (d) who receives products or services authorized by NCR, the sale or provision of which results, resulted or, with regard to prospective customers, would have resulted in compensation, commissions, or earnings for you within the 2 years prior to the date of your termination;

(ii) **“Competing Products/Services”** are any products, services, solutions, platforms, or activities that compete, directly or indirectly, in whole or in part, with one or more of the products, services or activities produced, provided or engaged in by NCR (including, without limitation, products, services or activities in the planning or development stage during your NCR employment) at the time of your separation from NCR and during the 2 years prior to termination of your NCR employment;

(iii) A **“Competing Organization”** is any person, business or organization that sells, researches, develops, manufactures, markets, consults with respect to, distributes and/or provides referrals with regard to one or more Competing Products/Services;

(iv) The NCR **“Competing Organization List,”** which the Company updates from time to time, provides examples of companies that, as of the date of the List’s publication, meet the definition of Competing Organization under Section 10(c)(iii) above. However, the Competing Organization List is not comprehensive and, in the event of a conflict between Section 10(c)(iii) and the Competing Organization List, Section 10(c)(iii) controls. The most recent version of the Competing Organization List in effect at the time of the termination of your NCR employment, which is available on the NCR HR intranet, or from the NCR Law Department or HR upon request, is the version to consult for relevant examples of Competing Organizations for purposes of this Agreement. As of the Grant Date, the companies listed on Schedule A to this Agreement (and the subsidiaries of each) constitute the Company’s Competing Organization List for 2019.

(v) All references to **“NCR employment”** in this Section 10 refer to your employment by NCR (or, if different, to an affiliate or subsidiary of NCR) and shall also be deemed to include your employment, if any, by any company the stock or substantially all the assets of which NCR has acquired. As a non-limiting example, a reference to the “2 years prior to the termination of your NCR employment” may include both time as an NCR employee and time as a Retalix Ltd or Digital Insight employment.

(d) **Consideration.** You acknowledge that (a) you would not have received the benefits and consideration provided under this Agreement, including the potential future vesting of equity awards, but for your consent to abide by the Post-Employment Restricted Covenants contained in Section 10(b); (b) you must abide Section 10(b) regardless of whether any stock units or other equity has vested or been distributed as of the time of any violation of its terms; and (c) your agreement to Section 10(b) is a material component of the consideration for this Agreement.

(e) **Remedies.** You agree that, if you breach any of the provisions of this Agreement: (i) NCR shall be entitled to all of its remedies at law or in equity, including but not limited to money damages and injunctive relief; (ii) in the event of such breach, in addition to NCR’s other remedies, any unvested Stock Units will be immediately forfeited and deemed canceled, and you agree to pay immediately to NCR the Fair Market Value of any Stock Units that vested during the 18 months prior to the date of your termination of employment (or if applicable law mandates a maximum time that is shorter than 18 months, then for a period of time equal to the shorter maximum period), without regard to whether you continue to own the shares associated with such Stock Units; and (iii) NCR shall also be entitled to an accounting and repayment from you of all profits, compensation, commissions, remuneration or benefits that you (and/or the applicable Competing Organization) directly or indirectly have realized or may realize as a result of or in connection with any breach of these covenants, and such remedy shall be in addition to and not in limitation of any injunctive relief or other rights or remedies to which NCR may be entitled at law or in equity. For U.S. employees, pursuant to the Defense of Trade Secrets Act, NCR may also recover punitive damages and attorneys’ fees, and may also seek and be awarded ex parte seizure of property necessary to prevent the unauthorized use, transfer and disclosure of trade secrets.

(f) **Subsequent Employment.** You agree that, while employed by NCR and for 1 year thereafter, you will communicate the contents of this Agreement to any person, firm, association, partnership, corporation or other entity which you intend to become employed by, contract for, associated with or represent, prior to accepting and engaging in such employment, contract, association and/or representation.

(g) **Tolling.** [FOR US EMPLOYEES ONLY:] You agree that the Restricted Period shall be tolled and suspended during and for the pendency of any violation of its terms and for the pendency of any legal proceedings to enforce any of the covenants set forth in this Section 10 and that all time that is part of or subject to such tolling and suspension shall not be counted toward the 12-month duration of the Restricted Period.

(h) **Reasonable and Necessary.** You agree that the Post-Employment Restrictive Covenants set forth in Section 10(b) are reasonable and necessary for the protection of NCR's legitimate business interests, that they do not impose a greater restraint than is necessary to protect the goodwill or other business interests of NCR, that they contain reasonable limitations as to time and scope of activity to be restrained, that they do not unduly restrict your ability to earn a living, and that they are not unduly burdensome to you.

(i) **Severability.** Each clause of this Agreement and Section constitutes an entirely separate and independent restriction and the duration, extent and application of each of the restrictions are no greater than is necessary for the protection of NCR's interests. If any part or clause of this Section 10 is held unenforceable, it shall be severed and shall not affect any other part of Section 10 and this Agreement.

(j) **Amendment for California Employees Only.** Section 10(b)'s Non-Competition, Non-Solicitation, and Non-Recruit/Hire restrictions do not apply to you if, following the termination of your NCR employment, you continue to reside or work in California. Notwithstanding the foregoing, you are and shall continue to be prohibited from any unauthorized use, transfer, or disclosure of the Company's Confidential Information, including trade secrets, pursuant to the California Trade Secrets Act, the U.S. Defend Trade Secrets Act of 2016, your confidentiality and non-disclosure agreements with NCR, and any other applicable federal, state and common law protections afforded proprietary business and trade secret information.

(k) **Non-U.S. Country-Specific Amendments.** The restrictions contained in Section 10(b)(2) and/or (3) do not apply to you if, following the termination of your NCR employment, you continue to reside or work in a country that mandates, as a non-waiveable condition, continued pay during the Restricted Period, unless NCR advises you it will tender such pay, which shall be in the minimum amount required by local law. Section 10(b)(2) and/or (3) do not apply to you if you are terminated without cause (as this term or concept is defined by applicable law) and you reside in a country that requires termination for cause in order to enforce post-employment non-competition and/or non-solicitation restrictions. [FOR EMPLOYEES IN ARGENTINA, BELGIUM, CHINA, CZECH REPUBLIC, ISRAEL, SERBIA ONLY:] The restrictions set forth in Section 10(b)(2) and/or (3), as the case may be, shall have the additional consideration of a monthly payment from NCR during the term of the Agreement in such amount as is minimally required by law ("**Non-Competition Compensation**"); however, NCR may at any time, and in its sole discretion, waive the obligations and duties set forth in Section 10(b)(2) and/or (3), which shall release NCR from the obligation of making Non-Competition Compensation payments. Subject to the foregoing and local law, Non-Competition Compensation, if calculated based on monthly salary, will exclude any bonus, commissions, ex gratia payments, payments under any share option or incentive plan, benefits, "thirteenth-month" salary, or any payment in respect of any vacation entitlement accrued or that would have accrued during the period of the Agreement, and the payment of Non-Competition Compensation shall be made in monthly installments starting 1-month after the start of the Restricted Period (or, if applicable law mandates a maximum time that is shorter than 1 month, then for a period of time equal to that shorter maximum period) ("**Payment Period**"). If NCR does not commence the Non-Competition Compensation payments within the Payment Period, this shall affect a mutual release of Section 10(b)(2) and (3) obligations and no separate waiver need be provided by NCR. In such circumstances, you will not be subject to any ongoing non-competition or non-solicitation obligations, nor will NCR have any obligation to pay the Non-Competition Compensation; however, this release does not extend to the obligations under Section 10(b)(1), which will continue to apply. [FOR EMPLOYEES IN DENMARK, FRANCE, GERMANY ONLY:] Section 10(b)(2) and (3) of this Section do not apply to you if, following the termination of your NCR employment, you continue to reside or work in Denmark, France, or Germany; however, Section 10(b)(1) shall continue to apply. [FOR EMPLOYEES IN UAE ONLY:] In the event that you breach the Section 10(b)(3) Non-Competition restrictive covenant, you acknowledge that NCR will suffer irreparable damage, and you promise to pay NCR on demand damages in a sum equal to the amount of 6 months of your salary that was in effect when your NCR employment ended. You acknowledge that this sum represents a reasonable estimate of damages that NCR will suffer, and that, where local law allows, NCR may seek additional compensatory damages.

(l) [FOR U.S. EMPLOYEES ONLY:] Pursuant to the Defend Trade Secrets Act of 2016, you understand that: an individual may not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (i) is made (a) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (b) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. Further, an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the employer's trade secrets to the attorney and use the trade secret information in the court proceeding if the individual: (i) files any document containing the trade secret under seal; and (ii) does not disclose the trade secret, except pursuant to court order.

11. **[FOR U.S. EMPLOYEES ONLY:] Arbitration, and Class, Collective, and Representative Action Waiver.** You and NCR (collectively, "The Parties") agree that any controversy or claim arising out of or related to this Agreement and/or with respect to your employment with NCR shall be resolved by binding arbitration; the obligation to arbitrate shall also extend to and encompass any claims that you may have or assert against any NCR employees, officers, directors or agents. Notwithstanding the foregoing, the following disputes and claims are not covered by this Arbitration provision and shall therefore be resolved in any appropriate forum as required by the laws then in effect: claims for workers' compensation benefits, unemployment insurance, or state or federal disability insurance; claims for temporary or preliminary injunctive relief (including a temporary restraining order) in aid of arbitration or to maintain the status quo pending arbitration; and any other dispute or claim that has been expressly excluded from arbitration by statute. The Parties further agree that in the event of a breach of this Agreement, NCR or you may, in addition to any other available remedies, bring an action in a Court of competent jurisdiction for equitable relief pending appointment of an arbitrator and completion of an arbitration; and, in such instance, shall not be required to post a bond. If any portion of this Arbitration provision is held unenforceable, it shall be severed and shall not affect the duty to arbitrate nor any other part of this Section. In addition:

(a) The Parties agree that any demand for arbitration shall be filed within the statute of limitations applicable to the claim or claims upon which arbitration is sought or required, or the claim shall be barred. Arbitration shall be conducted in accordance with the Employment Arbitration Rules and Mediation Procedures of the American Arbitration Association (available at www.ADR.org) to the extent not inconsistent with the terms of this Agreement. The arbitrator shall allow discovery in the form of: (1) the mutual exchange of documents (as defined under the Federal Rules of Civil Procedure) pertaining to the claim being arbitrated and for which there is a direct and demonstrable need; and (2) up to three depositions by each party. Upon good cause shown, in a personal or telephonic hearing, the arbitrator may allow additional, non-burdensome discovery. The arbitrator shall balance the likely importance of the requested materials with the cost and burden of the discovery sought, and when disproportionate, the arbitrator may deny the request(s) or require that the requesting party advance the reasonable cost of production to the other side. Issues of arbitrability shall be determined in accordance with the U.S. federal substantive and procedural laws relating to arbitration; in all other respects, this Agreement shall be governed by the laws of the State of Georgia in the United States, without regard to its conflict-of-laws principles, and the arbitration shall be held in the metropolitan Atlanta, Georgia area, with the exception of employees who primarily reside and work in California, for whom arbitration shall be held in California, and with respect to controversies arising in California, to which California law shall apply. The arbitration shall be held before a single arbitrator who is an attorney having at least five years of experience in employment law. The arbitrator's decision and award shall be written, final and binding and may be entered in any court having jurisdiction. The Parties agree that nothing in this Agreement relieves them from any obligation they may have to exhaust certain administrative remedies before arbitrating any claims or disputes under this Agreement. Each party shall bear its own attorney fees associated with the arbitration; other costs, and the expenses of the arbitration, shall be borne as provided by the rules of the American Arbitration Association.

(b) **Class, Collective and/or Representative Action Waiver.** To the maximum extent permitted by law: (1) all covered claims under this Agreement must be brought in the party's individual capacity, and not as a plaintiff or class member in any purported class, collective or representative proceeding; (2) no claims may be brought or maintained on a class, collective or representative basis either in Court or in arbitration, notwithstanding the rules of the arbitral body; (3) such claims will be decided on an individual basis in arbitration pursuant to this Agreement; and (4) the Parties expressly waive any right with respect to any covered claims to submit, initiate, or participate as a plaintiff, claimant or member in a class action or collective action, regardless of whether the action is filed in arbitration or in court. Claims may not be joined or consolidated in arbitration with disputes brought by or against other individual(s), unless agreed to in writing by the Parties (you, NCR, and the other individual(s)). Any issue concerning the validity of this class, collective or representative action waiver, and whether an action may proceed as a class, collective or representative action, must be decided by a Court, and an arbitrator shall not have authority to consider the issue of the validity of this waiver or whether the action may proceed as a class, collective or representative action. If, for any reason, this class, collective and/or representative action waiver is determined to be unenforceable, then the class, collective or representative claim may proceed only in a Court of competent jurisdiction and may not be arbitrated. No arbitration award or decision will have any preclusive or estoppel effect as to issues or claims in any future dispute.

12. **Compensation Recovery Policy.** By accepting the Option, you acknowledge and agree that, to the extent the Option constitutes "Covered Incentive Compensation" subject to the terms of NCR's Compensation Recovery Policy, as the same may be in effect from time to time (the "Compensation Recovery Policy"), then, notwithstanding any other provision of this Agreement to the contrary, you may be required to forfeit the Option or repay any or all of the Option Shares pursuant to the terms of the Compensation Recovery Policy. Further, you acknowledge and agree that NCR may, to the extent permitted or required by law or regulation (including the Dodd-Frank Act), enforce any repayment obligation pursuant to the Compensation Recovery Policy by reducing any amounts that may be owing from time to time by NCR to you, whether as wages, severance, vacation pay or in the form of any other benefit or for any other reason, or enforce any other recoupment as prescribed by applicable law or regulation.

13. **Beneficiaries.** Subject to the terms of this Agreement, you may, to the extent permitted by the Chief Human Resources Officer (or his or her delegate) and such procedures of the TPA as may be in effect from time to time, designate one or more beneficiaries to receive all or part of the Option in case of your death, and you may change or revoke such designation at any time in accordance with such procedures. In the event of your death, any portion of the Option subject to such a designation that has not been superseded, modified or revoked in accordance with such procedures will be distributed to such beneficiary or beneficiaries in accordance with this Agreement. Any other portion of the Option not designated by you shall be distributable to your estate. If there is any question as to the legal right of any beneficiary to receive a distribution hereunder, the Option Shares in

question may be purchased by and distributed to your estate, in which event NCR shall have no further liability to anyone with respect to the Option or such Option Shares. For information about TPA beneficiary designation procedures, or to revoke or change a beneficiary designation, please call Fidelity at 1-800-544-9354 (U.S. grantees) or 1-800-544-0275 (non-U.S. grantees), or at such other number as provided by NCR or Fidelity. If you are a non-U.S. grantee, please visit the following link for access to the toll-free number: <https://www.fidelity.com/customer-service/phone-numbers/overview>.

14. **Data Privacy.** By entering into this Agreement, you understand and acknowledge that your personal data may be collected, used or transferred, in electronic or other form, for purposes relevant to the purposes described in this Agreement and any other Award materials (“Data”) by and among, as applicable the Employer, NCR, its Subsidiaries and Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan.

You understand and acknowledge that the Company and the Employer may hold certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in NCR, details of all Stock Units or other entitlement to shares of stock awarded, cancelled, exercised, vested, unvested or outstanding in your favor, for the purpose of implementing, administering and managing the Plan.

You understand that Data will be transferred to the TPA or such other stock plan service provider as may be selected by NCR in the future, which is assisting NCR with the implementation, administration and management of the Plan. You understand that the recipients of the Data may be located in the United States or elsewhere, and that the recipients’ country (for example, the United States) may have different data privacy laws and protections than your country. It is NCR’s policy to support such transfers of your Data with appropriate safeguards. You understand that if you reside outside the United States you may request a list with the names and addresses of any potential recipients of the Data by contacting your local human resources representative. You understand that your Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan.

You understand that if you reside outside the United States you may have certain rights with respect to your data. NCR. For example, you may have the right at any time, to confirm from the Company whether the Company processes your Data. You may also have the right to access and review your Data, request additional information about the storage and processing of Data, require any necessary amendments to Data to correct its accuracy or to complete the Data. In certain instances, you may also the right to have your Data erased, to restrict its processing, or to require its delivery to a third party. In some jurisdictions, the Company may be required to obtain your consent to process your Data. To the extent that the Company is required by law to obtain such consents, you agree that NCR, the TPA and any other possible recipients which may assist NCR (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purpose of implementing, administering and managing your participation in the Plan.

You may refuse to consent or withdraw the consents herein, in any case without cost, by contacting in writing your local human resources representative. Further, you understand that you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your employment status or service and career with the Employer will not be adversely affected; the only adverse consequence of refusing or withdrawing your consent is that NCR would not be able to grant you Stock Units or other equity awards or administer or maintain such awards. Therefore, you understand that refusing or withdrawing your consent may affect your ability to participate in the Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you understand that you may contact your local human resources representative.

15. **Non-Disclosure of Confidential Information, Including Trade Secrets.** You acknowledge and agree that your employment with NCR created a relationship of confidence and trust between you and NCR with respect to the Company’s confidential information; you further acknowledge and agree that your particular position and its job duties exposed you to a broad variety of sensitive, confidential and non-public information of competitive value. You warrant and agree that (a) you will keep in confidence and trust all NCR confidential information known to you; (b) you have not transferred, used or disclosed any NCR confidential information (or assisted others in transferring, using or disclosing NCR confidential information) other than as necessary in the ordinary course of performing your duties as an NCR employee, and (c) you will not transfer, use or disclose NCR confidential information (or assist others with the transfer, use or disclosure of NCR confidential information) without the prior written consent of NCR, which may be granted or withheld in NCR’s sole discretion, for any reason or no reason. [US EMPLOYEES ONLY:] Notwithstanding the foregoing, this Agreement does not prohibit you from reporting possible violations of the law to government agencies including, without limitation, the DOJ, SEC, Equal Employment Opportunity Commission, or any agency Inspector General, but you agree and understand that you are waiving, and hereby do waive, your right to monetary compensation and any other relief if any such agency elects to pursue any such claim, whether on your behalf or otherwise, to the fullest extent permitted by law. Nothing in this Agreement is intended to, or shall prevent, impede, or interfere with your providing truthful testimony and truthful information in the course of an investigation or proceeding authorized or required by law and/or conducted by an Agency of the United States. Should you receive a disclosure demand from any government agency, you may reach out to NCR’s General Counsel or its law department for assistance, but you are not required to do so. Further, nothing in this Agreement is intended to or shall preclude you from providing truthful testimony or providing truthful information in response to a valid subpoena, court order or discovery request in any public proceeding, provided, to the extent permitted by law, you have

provided to NCR as much advance notice as practicable of any such compelled disclosure, so as to enable NCR to seek to limit, condition or quash such disclosure.

16. **Compensation.** Your participation in the Plan is voluntary. The value of the Option is an extraordinary item of income, is not part of your normal or expected compensation and shall not be considered in calculating any severance, redundancy, end of service payments, bonus, long-service awards, pension, retirement or other benefits or similar payments. The Plan is discretionary in nature. The Option is a one-time benefit that does not create any contractual or other right to receive additional awards or other benefits in the future. Future grants, if any, are at the sole grace and discretion of NCR, including, but not limited to, the timing of the grant, amount and vesting provisions.

17. **No Advice Regarding Grant.** NCR is not providing any tax, legal or financial advice, nor is NCR making any recommendations regarding your participation in the Plan, or your acquisition or sale of the underlying Shares. You are hereby advised to consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.

18. **Electronic Agreement; Governing Documents.** This Agreement, including without limitation Section 10, is executed electronically, and it is immediately binding upon your electronic acceptance. If you reside in a country that requires original ink signatures on paper, you hereby waive any such requirement to the extent permitted by law. NCR may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by NCR or the TPA. Information summarized or otherwise shown on the website of the TPA for NCR, which may be updated from time to time, shall be subject to the determinations of the Committee, the Plan and this Agreement.

19. **Severability.** The provisions of this Agreement are severable. If any provision of this Agreement is held to be unenforceable or invalid by a court or other tribunal of competent jurisdiction, it shall be severed and shall not affect any other part of this Agreement, which will be enforced as permitted by law. Provided, however, that to the extent such invalid provision can be rendered valid by modification, you agree that the court or tribunal shall so modify such provision so as to render it valid and enforceable to the fullest extent permitted by law.

20. **Amendment.** The terms of the Option as evidenced by this Agreement may be amended by the NCR Board of Directors or the Committee or any delegate thereof, but no such amendment shall be made which would materially impair your rights hereunder without your consent, except such an amendment made to comply with applicable law, including Section 409A of the Code, stock exchange rules or accounting rules.

21. **Waiver.** You acknowledge that a waiver by NCR of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach of this Agreement.

22. **Provisions Applicable to Participants in Jurisdictions outside the United States.** Notwithstanding any provision of this Agreement or the Plan to the contrary, if you are or become subject to the laws of a jurisdiction outside the United States, your Award shall be subject to any special terms and conditions set forth in any appendix to this Agreement for your country (the "Appendix"). In addition, your Award shall be subject to the laws and requirements of such jurisdiction outside the United States and the terms and conditions of this Agreement are deemed modified to the extent NCR determines necessary or advisable for legal or administrative reasons. Moreover, if you relocate to one of the countries included in the Appendix, the special terms and conditions for such country will apply to you, to the extent NCR determines that the application of such terms is necessary or advisable for legal or administrative reasons. Finally, the Committee may take any other action, including amending this Agreement, before or after an Award is made, that it deems necessary or advisable to obtain approval or comply with any necessary local governmental regulatory requirements or exemptions to the extent such amendment is permissible under the Plan with or without your prior written consent.

23. **Conflicting Terms.** In the event of a conflict between the terms and conditions of this Agreement and the terms and conditions of the Plan, the terms and conditions of the Plan shall prevail, except that with respect the law governing this Agreement and any claims arising under or relating to it, Section 11 of this Agreement shall prevail.

24. **Code of Conduct Certification; Compliance with Insider Trading Laws and NCR Insider Trading Policy.** Notwithstanding any other provision of this Agreement, the Option and your right to exercise any portion of the Option that has become Vested hereunder are subject to and expressly conditioned upon your timely annual certification to NCR's Code of Conduct, and in the event of your failure to timely provide any such certification as may be required prior to the date that the Options would otherwise be vested under this Agreement those Options shall be forfeited; provided that no such forfeiture shall occur unless you are provided written notice (which notice may be provided by email) of the impending forfeiture, and you do not provide your certification to NCR's Code of Conduct within thirty days following such notice.

With respect to any shares of Common Stock distributed to you hereunder, you understand and agree that if at any time following such distribution you are in possession or have knowledge of material non-public information relating to NCR, in accordance with law you may not trade in NCR securities until the information becomes public, except as may be the case pursuant to a 10b5-1 trading plan properly executed by you and NCR when you were not in possession or did not have knowledge of material non-public information relating to NCR (to the extent such a trading plan is required or permitted by NCR’s Insider Trading Policy). You should consult an attorney if you have questions concerning such matters.

25. **No Employment Modification.** The Plan and this Agreement do not constitute a contract of employment or impose on you, the Company or your Employer any obligation to retain you as an employee, to change the status of your employment, or to change the Company’s policies or those of its Subsidiaries regarding termination of employment. For U.S. employees, employment with the Company and the Employer is at will, which means that you or the Company or your Employer may terminate the employment relationship at any time, with or without cause.

26. **Execution and Validity of Agreement.** This Agreement shall be valid, binding and effective upon the Company on the Grant Date. However, the grant contained in this Agreement shall be forfeited by you and this Agreement shall have no force and effect if it is not duly executed by electronic acceptance on the website of the TPA at www.netbenefits.fidelity.com (on which this Agreement is posted) in the form prescribed by the Company within ninety (90) days following the Grant Date (or by such other date as may be required by the Chief Human Resources Officer).

SCHEDULE A
NCR 2019 COMPETING ORGANIZATION LIST

For purposes of non-competition provisions in NCR plans or agreements that refer to “Competing Organizations,” the companies identified in the list below, including the subsidiaries and affiliates of each, constitute the current list of “Competing Organizations.” This list shall remain in effect until an updated list is approved/posted.

ACI Worldwide	GK Software	Open Table
Acuative	Global Payments	Oracle
Agilysys	HP Inc.	PAR Technology
Altametrics	Infor	PCMS
Appetize	Jack Henry & Assoc.	Q2
Aptos	Kony Inc.	Revel Systems
Diebold Nixdorf	Korala Associates Ltd.	Square
Dimension Data/NTT	Lavu Inc.	Tillster
First Data Corporation (Clover)	LOC Software	Toast, Inc.
FIS	Manhattan Associates	Toshiba TEC
Fiserv	Nautilus Hyosung	Unisys
Fujitsu	NSC Global	Upserve (Breadcrumb)
Getronics	Office Depot (Compucom)	Zebra Technologies Corp
Gilbarco Veeder-Root		

Please note that non-competition provisions in NCR plans or agreements are not limited to the identified Competing Organizations, that other companies may qualify as competitors under such provisions, and that NCR employees may be restricted from accepting employment or other work from such other companies, subject to the terms of the relevant NCR plan or agreement.

APPENDIX A

PROVISIONS FOR NON-U.S. PARTICIPANTS

2019 Stock Option Award Agreement
NCR Corporation 2017 Stock Incentive Plan
(Non-Statutory Stock Option)

The following terms and conditions apply to Participants who reside outside the United States or who are otherwise subject to the laws of a country other than the United States. In general, the terms and conditions in this Appendix A supplement the provisions of the Agreement, unless otherwise indicated herein.

1. **Nature of Grant.** In accepting the Option, you acknowledge, understand and agree that:

(a) the Option and any Shares acquired under the Plan are not intended to replace any pension rights or compensation;

- (b) the future value of the Shares underlying the Option is unknown, indeterminable, and cannot be predicted with certainty;
- (c) if the underlying Shares do not increase in value, the Option will have no value;
- (d) if you exercise the Option and acquire Option Shares, the value of such Option Shares may increase or decrease in value, even below the Exercise Price;
- (e) no claim or entitlement to compensation or damages shall arise from forfeiture of the Option resulting from your Termination of Employment (for any reason whatsoever whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any), and in consideration of the grant of the Option to which you are otherwise not entitled, you irrevocably agree never to institute any claim against NCR, any of its Subsidiaries or Affiliates or the Employer, waive your ability, if any, to bring any such claim, and release NCR, its Subsidiaries, Affiliates and the Employer from any such claim; if notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, you shall be deemed irrevocably to have agreed not to pursue such claim and agree to execute any and all documents necessary to request dismissal or withdrawal of such claim;
- (f) for purposes of the Option, your employment or service relationship will be considered terminated as of the date you are no longer actively providing services to NCR or one of its Subsidiaries or Affiliates (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any), and unless otherwise expressly provided in this Agreement or determined by NCR, (i) your right to vest in the Option under the Plan, if any, will terminate as of such date and will not be extended by any notice period (e.g., your period of service would not include any contractual notice period or any period of “garden leave” or similar period mandated under employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any); and (ii) the period (if any) during which you may exercise the Option after such Termination of Employment will commence on the date you cease to provide services and will not be extended by any notice period mandated under employment laws in the jurisdiction where you are employed or terms of your employment agreement, if any; the Committee shall have the exclusive discretion to determine when you are no longer actively providing services for purposes of your Option (including whether you may still be considered to be providing services while on a leave of absence);

(g) unless otherwise provided in the Plan or by the Company in its discretion, the Option and the benefits evidenced by this Agreement do not create any entitlement to have the Option or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the shares of the Company; and

(h) neither NCR, the Employer nor any Subsidiary or Affiliate shall be liable for any foreign exchange rate fluctuation between your local currency and the United States Dollar that may affect the value of the Option or of any amounts due to you pursuant to the exercise of the Option or the subsequent sale of any Option Shares acquired upon exercise.

2. **Language.** If you have received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control. You acknowledge that it is your express wish that this Agreement, as well as all documents, notices, and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English. By accepting the Stock Units, you confirm having read and understood the Plan and this Agreement, including all terms and conditions included therein, which were provided in the English language. You accept the terms of those documents accordingly.

3. **Conditions for Issuance.** Notwithstanding any other provision of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the Shares, the Company shall not be required to deliver any shares issuable upon exercise of the Options prior to the completion of any registration or qualification of the shares under any local, state, federal or foreign securities or exchange control law or under rulings or regulations of the U.S. Securities and Exchange Commission (“SEC”) or of any other governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. You understand that the Company is under no obligation to register or qualify the Shares with the SEC or any state or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the Shares. The grant of Options is not intended to be a public offering of securities in your country, and the Company has not submitted any registration statement, prospectus or other filings with the local securities authorities in connection with this grant, and the grant of the Options is not subject to the supervision of the local securities authorities.

4. **Repatriation and Other Non-U.S. Compliance Requirements.** As a condition of the grant of your Options, you agree to repatriate all payments attributable to the Shares and/or cash acquired under the Plan (including, but not limited to, dividends) in accordance with local foreign exchange rules and regulations in your country of residence (and your country of employment, if different). In addition, you also agree to take any and all actions, and consent to any and all actions taken by the Company, its

Subsidiaries and Affiliates, as may be required to allow the Company, its Subsidiaries and Affiliates to comply with local tax, exchange control, insider trading and other laws, rules and regulations in your country of residence (and your country of employment, if different). Finally, you agree to take any and all actions as may be required to comply with your personal legal and tax obligations under local laws, rules and regulations in your country of residence (and your country of employment, if different) with respect to the Option and the Option Shares subject thereto.

5. **Insider Trading Restrictions/Market Abuse Laws.** You acknowledge that, depending on your country of residence, you may be subject to insider trading restrictions and/or market abuse laws, which may affect your ability to acquire or sell Shares or rights to such shares (e.g., Options) under the Plan during such times as you are considered to have “inside information” regarding the Company (as defined by the laws in your country). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable insider trading policy of the Company. You acknowledge that it is your responsibility to comply with any applicable restrictions, and you are advised to speak to your personal advisor on this matter.

APPENDIX B

COUNTRY-SPECIFIC PROVISIONS FOR NON-U.S. PARTICIPANTS

2019 Stock Option Award Agreement NCR Corporation 2017 Stock Incentive Plan (Non-Statutory Stock Option)

This Appendix B includes special terms and conditions applicable to you if you reside in the countries below. These terms and conditions are in addition to or, if so indicated, in place of, those set forth in the Agreement. Capitalized terms used but not defined in this Appendix have the meanings assigned to them in the Plan, or the Agreement, as applicable.

This Appendix B also includes information relating to exchange control and other issues of which you should be aware with respect to your participation in the Plan. The information is based on the exchange control, securities and other laws in effect in the respective countries as of the Grant Date. Such laws are often complex and change frequently. As a result, NCR strongly recommends that you do not rely on the information herein as the only source of information relating to the consequences of participation in the Plan because the information may be out of date at the time the Options are exercised or Shares acquired under the Plan are sold.

In addition, the information is general in nature and may not apply to your particular situation and NCR is not in a position to assure you of any particular result. Accordingly, you are advised to seek appropriate professional advice as to how the relevant laws in your country may apply to your situation. Finally, if you are a citizen or resident of a country other than the one in which you are currently working, are considered a citizen or resident of another country for local law purposes, or transfer employment or residency to another country after the Grant Date, the notifications contained herein may not be applicable to you. In addition, NCR shall, in its discretion, determine to what extent the terms and conditions contained herein shall be applicable to you.

CHINA

Exercise of Option. This provision supplements Section 6 of the Agreement:

Due to regulatory requirements in the People’s Republic of China (“China”), the Exercise Price may only be paid through a broker-assisted cashless exercise pursuant to which you provide irrevocable instructions to NCR’s designated broker to effect the immediate sale of all of the exercised Option Shares and remit to NCR, out of the sale, sufficient funds to cover the aggregate Exercise Price payable for the exercised Option Shares. The remaining sale proceeds, less the amount of any Tax-Related Items and broker’s fees or commissions, will be remitted to you in accordance with applicable exchange control laws and regulations. You will not be permitted to hold Shares after exercise. NCR reserves the right to allow additional methods of exercise depending on the development of local law.

Exchange Control Restrictions. You understand and agree that, if you are subject to exchange control laws in China, you will be required to immediately repatriate to China the proceeds from the sale of any Option Shares acquired under the Plan. You further understand that such repatriation of the proceeds may need to be effected through a special exchange control account established by NCR or a Subsidiary or Affiliate, and you hereby consent and agree that the proceeds from the sale of Option Shares acquired under the Plan may be transferred to such account by NCR (or the broker) on your behalf prior to being delivered to you. You also agree to sign any agreements, forms and/or consents that may be reasonably requested by NCR (or the broker) to effectuate such transfers.

The proceeds may be paid to you in U.S. dollars or local currency at NCR’s discretion. If the proceeds are paid to you in U.S. dollars, you understand that you will be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the proceeds are paid to you in local currency, (i) you acknowledge that NCR is under no obligation to secure any particular exchange conversion rate and that NCR may face delays in converting the proceeds to local currency due to

exchange control restrictions, and (ii) you agree to bear any currency fluctuation risk between the time the Option Shares are sold and the time the proceeds are converted to local currency and distributed to you.

Finally, you agree to comply with any other requirements that may be imposed by NCR in the future in order to facilitate compliance with exchange control requirements in China.

ISRAEL

Trust Arrangement. You understand and agree that this Award is offered subject to and in accordance with the terms of the Plan and its Israeli Appendix. Upon exercise, the Shares shall be controlled by the Company's trustee appointed by the Company or its Subsidiary or Affiliate in Israel (the "Trustee") for your benefit for at least such period of time as required by Section 102 or any shorter period determined under the Israeli Income Tax Ordinance (New Version), 5721-1961 as now in effect or as hereafter amended (the "Ordinance") (with respect to the "capital gain route") or by the Israeli Tax Authority (the "Lock-Up Period"). You shall be able to request the sale of the Shares or the release of the Shares from the Trustee, subject to the terms of the Plan, this Agreement and any applicable Israeli tax law. Without derogating from the aforementioned, if the Shares are released by the Trustee during the Lock-Up Period, the sanctions under Section 102 of the Ordinance shall apply to and be borne by you. The Shares shall not be sold or released from the control of the Trustee unless the Company, the Subsidiary or Affiliate and the Trustee are satisfied that the full amount of Tax-Related Items due have been paid or will be paid in relation thereto. Notwithstanding any provision of this Agreement or the Plan to the contrary except the provisions in Section 2 and 3 of this Agreement relating to a Good Reason Termination (as defined in Section 3) or your Retirement (in each case, to the extent specifically applicable to you), in the event of your resignation from service with NCR or the Employer due to any reason, including worsening of employment conditions, or any other reason relating to conditions of employment, all unvested Stock Units will automatically terminate and be forfeited and no shares or cash will be issued or paid to you (as the case may be).

**2019 Time-Based Restricted Stock Unit Award Agreement
NCR Corporation 2017 Stock Incentive Plan**

You have been awarded time-based restricted stock units (“Stock Units”) from NCR Corporation. See www.netbenefits.fidelity.com for your award details, including effective date (“Grant Date”). Your award is subject to the terms of this Agreement, including non-competition and other restrictive covenants. Your award is also subject to the NCR Corporation 2017 Stock Incentive Plan terms, as may be amended from time to time (“Plan”), which defines capitalized terms not defined herein.

1. **Grant of Stock Units.** Subject to Section 2 and the other terms and conditions of this Agreement, one-third (1/3) of the Stock Units will become vested and non-forfeitable on each of the first, second and third anniversaries of the Grant Date (each a “Vesting Date”), provided that you are continuously employed by NCR Corporation (“NCR” or “Company”) or a Subsidiary or Affiliate of NCR (each, an “Employer”) through and until the applicable Vesting Date. The Stock Units are referred to in this Agreement as “Vested” at the time they become vested and non-forfeitable pursuant to this Section 1 or Section 2 below.

2. **Certain Events Resulting in Accelerated Vesting Date.** The Plan provides for what happens in connection with certain events resulting in accelerated vesting of the Award. The following chart describes the more common events. Except as otherwise provided below, in the event of your Termination of Employment prior to a Vesting Date for any reason, all unvested Stock Units will automatically terminate and be forfeited and no shares or cash will be issued or paid (as the case may be).

Termination Provisions

Termination Event	Treatment of Stock Units
Retirement or Involuntary Termination (other than for Cause)	Prorated Vesting—A pro-rata portion of the unvested Stock Units will become Vested immediately upon your Termination of Employment due to Retirement or Involuntary Termination, and will be determined by: (a) multiplying the total number of Stock Units awarded under this Agreement by a fraction, the numerator of which is the number of days that you completed as an employee of the Company or an Employer during the period beginning on the Grant Date and ending on the last Vesting Date for Stock Units awarded under this Agreement, and the denominator of which is the number of days during the period beginning on the Grant Date and ending on the last Vesting Date for Stock Units awarded under this Agreement, and (b) subtracting from the resulting amount the number of Stock Units that previously vested under this Agreement (if any). Any portion of the unvested Stock Units that do not vest in accordance with the foregoing will terminate and be forfeited.
Termination Event	Treatment of Stock Units
Death, Disability, Change in Control Termination or Good Reason Termination	Full Vesting—All unvested Stock Units shall become fully Vested immediately upon your Termination of Employment due to death, Disability, a Change in Control Termination or a Good Reason Termination.
Voluntary Resignation	Forfeited—Unvested Stock Units will be forfeited.
Termination for Cause	Forfeited—Unvested Stock Units will be forfeited.

For purposes of this Agreement, “Disability” means Termination of Employment as a result of a disability for which you qualify for benefits under the NCR Long-Term Disability Plan or another long-term disability plan sponsored by NCR, its Subsidiaries or Affiliates. “Retirement” means your Termination of Employment when you are age 62 or older with at least 10 years of continuous service with the Company and its Subsidiaries and Affiliates for the period ending on the date of your Termination of Employment (but excluding service with any entity whose stock or assets were acquired by the Company for the period prior to such acquisition). “Involuntary Termination” means Termination of Employment by the Company or the Employer for any reason other than for Cause (as defined in the Plan), excluding termination by the Company, the Employer, or the continuing entity or successor during the twenty-four (24) months following a Change in Control. “Change in Control Termination” means a Termination of Employment by the Company, the Employer or the continuing entity or successor other than for Cause (as defined in the NCR

Change in Control Severance Plan, to the extent that you are a participant in the NCR Change in Control Severance Plan at the time of such Termination of Employment; otherwise as defined in the Plan and, for the avoidance of doubt, not including any termination due to your Disability) occurring during the twenty-four (24) months following a Change in Control wherein this Award is assumed, converted or replaced by the continuing entity or successor. “Good Reason Termination” means, if you are a participant in the NCR Change in Control Severance Plan, or an NCR policy or similar arrangement or individual agreement that defines “Good Reason” in the context of a resignation following a Change in Control, your Termination of Employment for Good Reason as so defined within twenty-four (24) months following a Change in Control.

Change in Control. Notwithstanding any provisions in this Agreement to the contrary other than Sections 5, 10, 12, and 24, in the event a Change in Control occurs prior to the Vesting Date and the Stock Units are not assumed, converted or replaced by the continuing entity or successor, all unvested Stock Units shall become fully Vested immediately prior to the Change in Control.

3. **Settlement of Stock Units.** Except as may be otherwise provided in Section 2 or 4 of this Agreement, or Section 14.12 of the Plan or pursuant to an election under Section 14.11 of the Plan, Vested Stock Units will be paid to you as soon as reasonably practicable after the earliest of: (a) the applicable Vesting Date, (b) your Termination of Employment if such Termination of Employment results in vesting pursuant to Section 2, or (c) the Change in Control date if vesting occurs in connection with a Change in Control without a Termination of Employment as determined under Section 2 above. In all events, the settlement date shall be no later than March 15 of the year following the year in which the earliest of such events occurs; except that, notwithstanding any other provision hereof, the settlement date in the event of vesting in connection with a Change in Control as described in Section 2 shall be no later than 30 days after the Termination of Employment date or the Change in Control date, as applicable. Such Vested Stock Units will be paid to you in shares of Common Stock (such that one Stock Unit equals one share of Common Stock) or, in NCR’s sole discretion, in an amount of cash equal to the Fair Market Value of such number of shares of Common Stock on date that immediately precedes the Vesting Date (or such earlier date upon which the Stock Units have become Vested pursuant to Section 4 of this Agreement), or a combination thereof (the date of such payment shall be referred to herein as the “Settlement Date”).

4. **Compliance with Section 409A of the Code.** The intent of the parties is that payments under this Agreement comply with Section 409A of the Code or are exempt therefrom, and this Agreement shall be interpreted, administered and governed in accordance with such intent.

5. **Confidentiality.** You agree that the terms of this Agreement are to remain confidential and you will not disclose the terms of this Agreement to anyone other than your spouse, domestic partner, tax advisor, or attorney, or as required by law. You agree that you will require that persons to whom disclosure is made as permitted by this paragraph will keep any such information confidential and will not disclose it to others. Notwithstanding this confidentiality provision, you may disclose to any prospective employer the fact that you are subject to obligations of non-disclosure, non-competition, non-solicitation, and non-recruit/hire and may provide those sections of this Agreement to such prospective employer. A disclosure by you of this Agreement required pursuant to any person, court or non-governmental proceeding will not constitute a breach of this Agreement if, to the extent permitted under the circumstances, you: (a) have first provided notice to NCR and its General Counsel, at law.notices@ncr.com, and provided an opportunity to NCR to protect such information by protective order or other means; and (b) you disclose only that portion of this Agreement that you are legally required to disclose. [FOR US EMPLOYEES ONLY:] However, upon request by a U.S. government agency, such as the Securities and Exchange Commission (“SEC”) or the Department of Justice (“DOJ”) in connection with a government investigation, you may provide a copy of this Agreement to the agency without first providing notice to NCR.

6. **Adjustments Based on Certain Changes in the Common Stock.** In the event of any stock split, reverse stock split, stock dividend, recapitalization or similar change affecting the Common Stock, the Award shall be equitably adjusted in accordance with Section 3.04 of the Plan.

7. **Nontransferability.** At all times before each applicable Vesting Date, the Stock Units, to the extent not fully Vested, may not be sold, transferred, pledged, assigned or otherwise alienated, except by beneficiary designation, by will or by the laws of descent and distribution upon your death. As soon as practicable after a Vesting Date (or such other date as Stock Units become payable in accordance with Section 2), if Stock Units that Vested on such Vesting Date are to be paid in the form of shares of NCR Common Stock, NCR will instruct its transfer agent and/or its third party administrator (“TPA”) to record on your account the number of such shares underlying the number of such Stock Units, and such shares will be freely transferable.

8. **Dividends.** Any cash dividends declared before each applicable Vesting Date on the shares underlying unvested Stock Units shall not be paid currently, but shall be converted into additional unvested Stock Units, and any cash dividends declared after a Vesting Date but before the applicable Settlement Date on the shares underlying Vested Stock Units shall not be paid currently, but shall be converted into additional Vested Stock Units and settled pursuant to Section 3 at the same time as the underlying Vested Stock Units. Any Stock Units resulting from such conversion (the “Dividend Units”) will be considered Stock Units for purposes of this Agreement and will be subject to all of the terms, conditions and restrictions set forth herein that apply to the underlying Stock Units that generated the Dividend Units. As of each date that NCR would otherwise pay the declared dividend on the shares underlying the Stock Units (the “Dividend Payment Date”) in the absence of the reinvestment requirements of this Section, the number of Dividend Units will be determined by dividing the amount of dividends otherwise attributable to the Stock

Units but not paid on the Dividend Payment Date by the Fair Market Value of NCR's Common Stock on the Dividend Payment Date.

9. **Withholding.** (a) Prior to any relevant tax or tax withholding event (as applicable) and as a condition of your receiving the shares of Common Stock in respect of the Stock Units, you agree to make arrangements satisfactory to NCR and/or the Employer to satisfy all income tax, social insurance tax, payroll tax, fringe benefits tax or other Federal, state or local tax payment or withholding requirements or other tax related items (collectively, "Tax-Related Items") applicable to you as a result of or related to your participation in the Plan. In this regard, you agree to pay to NCR, including, at NCR's sole discretion, through payroll withholding or other method prescribed by the Chief Human Resources Officer, an amount equal to the amount of such Tax-Related Items required to be paid or withheld with respect to the Stock Units as determined in the sole discretion of NCR; provided that you will be required to pay any such amount prior to the tax or tax withholding event (as applicable) and as a condition of your receiving the shares of Common Stock to be issued in respect of the Stock Units. Such payment of Tax-Related Items shall be made by NCR withholding shares of Common Stock that are issuable upon the settlement of the Stock Units equal to the amount required to be withheld or paid as determined by NCR, except to the extent that: (i) the Chief Human Resources Officer permits payment for such Tax-Related Items in cash by an employee other than an executive officer of NCR ("Executive Officer") subject to Section 16 of the Securities Exchange Act of 1934, as amended (the "Act"), or (ii) you are an Executive Officer and you elect to make payment for such Tax-Related Items in cash or by instructing NCR and any brokerage firm determined acceptable to NCR for such purpose to sell on your behalf the whole number of shares of Common Stock underlying the Stock Units that NCR determines to be appropriate to generate the cash proceeds sufficient to satisfy such Tax-Related Items. Any withholding of shares or sale or cash payment pursuant to this Section shall occur on the date that the requirement to withhold or pay taxes arises, or as soon as practicable thereafter if permitted by NCR. To the extent that you are an Executive Officer who instructs a brokerage firm sale permitted by this Section, you will be responsible for, and will indemnify and hold NCR and the Employer harmless with respect to, any and all losses, costs, damages or other expenses (including brokerage fees and other similar costs related directly to any such sale of Common Stock) arising in connection with, or related to, any such sale. You acknowledge that if, at the time any shares of Common Stock are sold to satisfy requirements relating to Tax-Related Items pursuant to this Section, you are an Executive Officer as defined above, any such sale of Common Stock must be made pursuant to an exemption from the requirements under Section 16(b) of the Act.

(a) You acknowledge that, regardless of any action taken by NCR or the Employer, the ultimate liability for all Tax-Related Items is and remains your responsibility and may exceed the amount actually withheld by NCR or the Employer. Depending on the withholding method, NCR may withhold or account for Tax-Related Items by considering such statutory withholding rates as may be determined applicable in the discretion of the Chief Human Resources Officer that will not result in an adverse accounting consequence or cost.

10. **Non-Competition, Non-Solicitation and Non-Recruit/Hire.**

(a) Pursuant to your employment with NCR ("**the Company**"), you have or will have access to, and knowledge of, certain confidential information (including, without limitation, trade secrets and information about the Company's business, operations, customers, employees, and industry relationships) not known to, or readily ascertainable by, the public or NCR's competitors and that gives the Company a competitive advantage ("**Confidential Information**"). You acknowledge that any unauthorized use (including use for your own benefit or to the benefit of others), transfer, or disclosure by you of NCR's Confidential Information can place NCR at a competitive disadvantage and cause damage, financial and otherwise, to its business. You further acknowledge that, because of the knowledge of and access to the Confidential Information of the Company that you have acquired or will have acquired during your employment, you will be in a position to compete unfairly with the Company following the termination of your employment.

(b) **Post-Employment Restrictive Covenants.** Therefore, for the purpose of protecting NCR's business interests, including the Confidential Information, goodwill and stable trained workforce of the Company, and in exchange for the benefits and consideration provided to you under this Agreement (including, without limitation, the potential future vesting of Stock Units), you agree that, for a 12-month period after the termination of your NCR employment (or if applicable law mandates a maximum time that is shorter than 12 months, then for a period of time equal to that shorter maximum period) (the "**Restricted Period**"), regardless of the reason for termination, you will not, without the prior written consent of the Chief Executive Officer of NCR:

(1). **Non-Recruit/Hire** - Directly or indirectly (including without limitation assisting third parties) recruit, hire or solicit, or attempt to recruit, hire or solicit any employee of NCR, induce or attempt to induce any employee of NCR to terminate his or her employment with NCR, or refer any such employee to anyone outside of the Company for the purpose of that NCR's employee's seeking, obtaining, or entering into an employment relationship or agreement to provide services;

(2). **Non-Solicitation** - Directly or indirectly (including without limitation assisting others), solicit or attempt to solicit the business of any NCR customers or prospective customers with which you had Material Contact (as defined in Section 10(c) (i) below) during the last 2 years of your NCR employment for purposes of providing products or services that are competitive with those provided by NCR;

(3). **Non-Competition** - Perform services, directly or indirectly, in any capacity (including, without limitation, as an employee, consultant, contractor, owner or member of a board of directors):

- (i) Of the type conducted, authorized, offered, or provided by you on behalf of NCR during the 2 years prior to termination of your NCR employment;
 - (ii) In connection with NCR Competing Products/Services (as defined in Section 10(c)(ii)) that are similar to or serve substantially the same functions as those with respect to which you worked during the 2 years prior to termination of your NCR employment or about which you obtained trade secret or other Confidential Information;
 - (iii) Within the geographic territories (including countries and regions, if applicable, or types, classes or tiers of customers if no geographic territory was assigned to you) where or for which you performed, were assigned, or had responsibilities for such services during the 2 years preceding your termination; and
 - (iv) On behalf of a Competing Organization (as defined in Section 10(c)(iii)).
- (c) For purposes of Section 10 of this Agreement, the following definitions shall apply:

(i) **“Material Contact”** means the contact between you and each customer or prospective customer (a) with which you dealt on behalf of NCR, (b) whose dealings with NCR were coordinated or supervised by you, (c) about whom you obtained confidential information in the ordinary course of business as a result of your association with NCR, or (d) who receives products or services authorized by NCR, the sale or provision of which results, resulted or, with regard to prospective customers, would have resulted in compensation, commissions, or earnings for you within the 2 years prior to the date of your termination;

(ii) **“Competing Products/Services”** are any products, services, solutions, platforms, or activities that compete, directly or indirectly, in whole or in part, with one or more of the products, services or activities produced, provided or engaged in by NCR (including, without limitation, products, services or activities in the planning or development stage during your NCR employment) at the time of your separation from NCR and during the 2 years prior to termination of your NCR employment;

(iii) A **“Competing Organization”** is any person, business or organization that sells, researches, develops, manufactures, markets, consults with respect to, distributes and/or provides referrals with regard to one or more Competing Products/Services;

(iv) The NCR **“Competing Organization List,”** which the Company updates from time to time, provides examples of companies that, as of the date of the List’s publication, meet the definition of Competing Organization under Section 10(c)(iii) above. However, the Competing Organization List is not comprehensive and, in the event of a conflict between Section 10(c)(iii) and the Competing Organization List, Section 10(c)(iii) controls. The most recent version of the Competing Organization List in effect at the time of the termination of your NCR employment, which is available on the NCR HR intranet, or from the NCR Law Department or HR upon request, is the version to consult for relevant examples of Competing Organizations for purposes of this Agreement. As of the Grant Date, the companies listed on Schedule A to this Agreement (and the subsidiaries of each) constitute the Company’s Competing Organization List for 2019.

(v) All references to **“NCR employment”** in this Section 10 refer to your employment by NCR (or, if different, to an affiliate or subsidiary of NCR) and shall also be deemed to include your employment, if any, by any company the stock or substantially all the assets of which NCR has acquired. As a non-limiting example, a reference to the “2 years prior to the termination of your NCR employment” may include both time as an NCR employee and time as a Retalix Ltd or Digital Insight employment.

(d) **Consideration.** You acknowledge that (a) you would not have received the benefits and consideration provided under this Agreement, including the potential future vesting of equity awards, but for your consent to abide by the Post-Employment Restricted Covenants contained in Section 10(b); (b) you must abide Section 10(b) regardless of whether any stock units or other equity has vested or been distributed as of the time of any violation of its terms; and (c) your agreement to Section 10(b) is a material component of the consideration for this Agreement.

(e) **Remedies.** You agree that, if you breach any of the provisions of this Agreement: (i) NCR shall be entitled to all of its remedies at law or in equity, including but not limited to money damages and injunctive relief; (ii) in the event of such breach, in addition to NCR’s other remedies, any unvested Stock Units will be immediately forfeited and deemed canceled, and you agree to pay immediately to NCR the Fair Market Value of any Stock Units that vested during the 18 months prior to the date of your termination of employment (or if applicable law mandates a maximum time that is shorter than 18 months, then for a period of time equal to the shorter maximum period), without regard to whether you continue to own the shares associated with such Stock Units; and (iii) NCR shall also be entitled to an accounting and repayment from you of all profits, compensation, commissions, remuneration or benefits that you (and/or the applicable Competing Organization) directly or indirectly have realized or may realize as a result of or in connection with any breach of these covenants, and such remedy shall be in addition to and not in limitation of any injunctive relief or other rights or remedies to which NCR may be entitled at law or in equity. For U.S. employees, pursuant to the Defense of Trade Secrets Act, NCR may also recover punitive damages and attorneys’ fees, and may also seek and be awarded ex parte seizure of property necessary to prevent the unauthorized use, transfer and disclosure of trade secrets.

(f) **Subsequent Employment.** You agree that, while employed by NCR and for 1 year thereafter, you will communicate the contents of this Agreement to any person, firm, association, partnership, corporation or other entity which you intend to become employed by, contract for, associated with or represent, prior to accepting and engaging in such employment, contract, association and/or representation.

(g) **Tolling.** [FOR US EMPLOYEES ONLY:] You agree that the Restricted Period shall be tolled and suspended during and for the pendency of any violation of its terms and for the pendency of any legal proceedings to enforce any of the covenants set forth in this Section 10 and that all time that is part of or subject to such tolling and suspension shall not be counted toward the 12-month duration of the Restricted Period.

(h) **Reasonable and Necessary.** You agree that the Post-Employment Restrictive Covenants set forth in Section 10(b) are reasonable and necessary for the protection of NCR's legitimate business interests, that they do not impose a greater restraint than is necessary to protect the goodwill or other business interests of NCR, that they contain reasonable limitations as to time and scope of activity to be restrained, that they do not unduly restrict your ability to earn a living, and that they are not unduly burdensome to you.

(i) **Severability.** Each clause of this Agreement and Section constitutes an entirely separate and independent restriction and the duration, extent and application of each of the restrictions are no greater than is necessary for the protection of NCR's interests. If any part or clause of this Section 10 is held unenforceable, it shall be severed and shall not affect any other part of Section 10 and this Agreement.

(j) **Amendment for California Employees Only.** Section 10(b)'s Non-Competition, Non-Solicitation, and Non-Recruit/Hire restrictions do not apply to you if, following the termination of your NCR employment, you continue to reside or work in California. Notwithstanding the foregoing, you are and shall continue to be prohibited from any unauthorized use, transfer, or disclosure of the Company's Confidential Information, including trade secrets, pursuant to the California Trade Secrets Act, the U.S. Defend Trade Secrets Act of 2016, your confidentiality and non-disclosure agreements with NCR, and any other applicable federal, state and common law protections afforded proprietary business and trade secret information.

(k) **Non-U.S. Country-Specific Amendments.** The restrictions contained in Section 10(b)(2) and/or (3) do not apply to you if, following the termination of your NCR employment, you continue to reside or work in a country that mandates, as a non-waivable condition, continued pay during the Restricted Period, unless NCR advises you it will tender such pay, which shall be in the minimum amount required by local law. Section 10(b)(2) and/or (3) do not apply to you if you are terminated without cause (as this term or concept is defined by applicable law) and you reside in a country that requires termination for cause in order to enforce post-employment non-competition and/or non-solicitation restrictions. [FOR EMPLOYEES IN ARGENTINA, BELGIUM, CHINA, CZECH REPUBLIC, ISRAEL, SERBIA ONLY:] The restrictions set forth in Section 10(b)(2) and/or (3), as the case may be, shall have the additional consideration of a monthly payment from NCR during the term of the Agreement in such amount as is minimally required by law ("**Non-Competition Compensation**"); however, NCR may at any time, and in its sole discretion, waive the obligations and duties set forth in Section 10(b)(2) and/or (3), which shall release NCR from the obligation of making Non-Competition Compensation payments. Subject to the foregoing and local law, Non-Competition Compensation, if calculated based on monthly salary, will exclude any bonus, commissions, ex gratia payments, payments under any share option or incentive plan, benefits, "thirteenth-month" salary, or any payment in respect of any vacation entitlement accrued or that would have accrued during the period of the Agreement, and the payment of Non-Competition Compensation shall be made in monthly installments starting 1-month after the start of the Restricted Period (or, if applicable law mandates a maximum time that is shorter than 1 month, then for a period of time equal to that shorter maximum period) ("**Payment Period**"). If NCR does not commence the Non-Competition Compensation payments within the Payment Period, this shall affect a mutual release of Section 10(b)(2) and (3) obligations and no separate waiver need be provided by NCR. In such circumstances, you will not be subject to any ongoing non-competition or non-solicitation obligations, nor will NCR have any obligation to pay the Non-Competition Compensation; however, this release does not extend to the obligations under Section 10(b)(1), which will continue to apply. [FOR EMPLOYEES IN DENMARK, FRANCE, GERMANY ONLY:] Section 10(b)(2) and (3) of this Section do not apply to you if, following the termination of your NCR employment, you continue to reside or work in Denmark, France, or Germany; however, Section 10(b)(1) shall continue to apply. [FOR EMPLOYEES IN UAE ONLY:] In the event that you breach the Section 10(b)(3) Non-Competition restrictive covenant, you acknowledge that NCR will suffer irreparable damage, and you promise to pay NCR on demand damages in a sum equal to the amount of 6 months of your salary that was in effect when your NCR employment ended. You acknowledge that this sum represents a reasonable estimate of damages that NCR will suffer, and that, where local law allows, NCR may seek additional compensatory damages.

(l) [FOR U.S. EMPLOYEES ONLY:] Pursuant to the Defend Trade Secrets Act of 2016, you understand that: an individual may not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (i) is made (a) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (b) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. Further, an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the employer's trade secrets to the attorney and use the trade secret information in the court proceeding if the individual: (i) files any document containing the trade secret under seal; and (ii) does not disclose the trade secret, except pursuant to court order.

11. [FOR U.S. EMPLOYEES ONLY:] Arbitration, and Class, Collective, and Representative Action Waiver. You and NCR (collectively, “The Parties”) agree that any controversy or claim arising out of or related to this Agreement and/or with respect to your employment with NCR shall be resolved by binding arbitration; the obligation to arbitrate shall also extend to and encompass any claims that you may have or assert against any NCR employees, officers, directors or agents. Notwithstanding the foregoing, the following disputes and claims are not covered by this Arbitration provision and shall therefore be resolved in any appropriate forum as required by the laws then in effect: claims for workers’ compensation benefits, unemployment insurance, or state or federal disability insurance; claims for temporary or preliminary injunctive relief (including a temporary restraining order) in aid of arbitration or to maintain the status quo pending arbitration; and any other dispute or claim that has been expressly excluded from arbitration by statute. The Parties further agree that in the event of a breach of this Agreement, NCR or you may, in addition to any other available remedies, bring an action in a Court of competent jurisdiction for equitable relief pending appointment of an arbitrator and completion of an arbitration; and, in such instance, shall not be required to post a bond. If any portion of this Arbitration provision is held unenforceable, it shall be severed and shall not affect the duty to arbitrate nor any other part of this Section. In addition:

(a) The Parties agree that any demand for arbitration shall be filed within the statute of limitations applicable to the claim or claims upon which arbitration is sought or required, or the claim shall be barred. Arbitration shall be conducted in accordance with the Employment Arbitration Rules and Mediation Procedures of the American Arbitration Association (available at www.ADR.org) to the extent not inconsistent with the terms of this Agreement. The arbitrator shall allow discovery in the form of: (1) the mutual exchange of documents (as defined under the Federal Rules of Civil Procedure) pertaining to the claim being arbitrated and for which there is a direct and demonstrable need; and (2) up to three depositions by each party. Upon good cause shown, in a personal or telephonic hearing, the arbitrator may allow additional, non-burdensome discovery. The arbitrator shall balance the likely importance of the requested materials with the cost and burden of the discovery sought, and when disproportionate, the arbitrator may deny the request(s) or require that the requesting party advance the reasonable cost of production to the other side. Issues of arbitrability shall be determined in accordance with the U.S. federal substantive and procedural laws relating to arbitration; in all other respects, this Agreement shall be governed by the laws of the State of Georgia in the United States, without regard to its conflict-of-laws principles, and the arbitration shall be held in the metropolitan Atlanta, Georgia area, with the exception of employees who primarily reside and work in California, for whom arbitration shall be held in California, and with respect to controversies arising in California, to which California law shall apply. The arbitration shall be held before a single arbitrator who is an attorney having at least five years of experience in employment law. The arbitrator’s decision and award shall be written, final and binding and may be entered in any court having jurisdiction. The Parties agree that nothing in this Agreement relieves them from any obligation they may have to exhaust certain administrative remedies before arbitrating any claims or disputes under this Agreement. Each party shall bear its own attorney fees associated with the arbitration; other costs, and the expenses of the arbitration, shall be borne as provided by the rules of the American Arbitration Association.

(b) **Class, Collective and/or Representative Action Waiver.** To the maximum extent permitted by law: (i) all covered claims under this Agreement must be brought in the party’s individual capacity, and not as a plaintiff or class member in any purported class, collective or representative proceeding; (ii) no claims may be brought or maintained on a class, collective or representative basis either in Court or in arbitration, notwithstanding the rules of the arbitral body; (iii) such claims will be decided on an individual basis in arbitration pursuant to this Agreement; and (iv) the Parties expressly waive any right with respect to any covered claims to submit, initiate, or participate as a plaintiff, claimant or member in a class action or collective action, regardless of whether the action is filed in arbitration or in court. Claims may not be joined or consolidated in arbitration with disputes brought by or against other individual(s), unless agreed to in writing by the Parties (you, NCR, and the other individual(s)). Any issue concerning the validity of this class, collective or representative action waiver, and whether an action may proceed as a class, collective or representative action, must be decided by a Court, and an arbitrator shall not have authority to consider the issue of the validity of this waiver or whether the action may proceed as a class, collective or representative action. If, for any reason, this class, collective and/or representative action waiver is determined to be unenforceable, then the class, collective or representative claim may proceed only in a Court of competent jurisdiction and may not be arbitrated. No arbitration award or decision will have any preclusive or estoppel effect as to issues or claims in any future dispute.

1. **Compensation Recovery Policy.** By accepting the Stock Units, you acknowledge and agree that to the extent that the Stock Units constitute “Covered Incentive Compensation” subject to the terms of NCR’s Compensation Recovery Policy, as the same may be in effect from time to time (the “Compensation Recovery Policy”), then, notwithstanding any other provision of this Agreement to the contrary, you may be required to forfeit any or all of the Stock Units and repay any or all amounts previously paid pursuant to the Stock Units pursuant to the terms of the Compensation Recovery Policy. Further, you acknowledge and agree that NCR may, to the extent permitted or required by law or regulation (including the Dodd-Frank Act), enforce any repayment obligation pursuant to the Compensation Recovery Policy by reducing any amounts that may be owing from time to time by NCR or its Subsidiaries or Affiliates to you, whether as wages, severance, vacation pay or in the form of any other benefit or for any other reason, or enforce any other recoupment as prescribed by applicable law or regulation.

2. **Beneficiaries.** Subject to the terms of this Agreement, you may, to the extent permitted by the Chief Human Resources Officer (or his or her delegate) and such procedures of the TPA as may be in effect from time to time, designate one or more beneficiaries to receive all or part of any shares of NCR Common Stock underlying the Stock Units to be distributed in case of your death, and you may change or revoke such designation at any time in accordance with such procedures. In the event of your death, any such shares distributable hereunder that are subject to such a designation that has not been superseded, modified or revoked in accordance with such procedures will be distributed to such beneficiary or beneficiaries in accordance with this Agreement. Any

other shares of NCR Common Stock underlying the Stock Units not designated by you will be distributable to your estate. If there is any question as to the legal right of any beneficiary to receive a distribution hereunder, the shares of NCR Common Stock underlying the Stock Units in question may be transferred to your estate, in which event NCR will have no further liability to anyone with respect to such shares. For information about TPA beneficiary designation procedures, or to revoke or change a beneficiary designation, please call Fidelity at 1-800-544-9354 (U.S. grantees) or 1-800-544-0275 (non-U.S. grantees), or at such other number as provided by NCR or Fidelity. If you are a non-U.S. grantee, please visit the following link for access to the toll-free number: <https://www.fidelity.com/customer-service/phone-numbers/overview>.

3. **Data Privacy.** By entering into this Agreement, you understand and acknowledge that your personal data may be collected, used or transferred, in electronic or other form, for purposes relevant to the purposes described in this Agreement and any other Award materials (“Data”) by and among, as applicable the Employer, NCR, its Subsidiaries and Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan.

You understand and acknowledge that the Company and the Employer may hold certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in NCR, details of all Stock Units or other entitlement to shares of stock awarded, cancelled, exercised, vested, unvested or outstanding in your favor, for the purpose of implementing, administering and managing the Plan.

You understand that Data will be transferred to the TPA or such other stock plan service provider as may be selected by NCR in the future, which is assisting NCR with the implementation, administration and management of the Plan. You understand that the recipients of the Data may be located in the United States or elsewhere, and that the recipients’ country (for example, the United States) may have different data privacy laws and protections than your country. It is NCR’s policy to support such transfers of your Data with appropriate safeguards. You understand that if you reside outside the United States you may request a list with the names and addresses of any potential recipients of the Data by contacting your local human resources representative. You understand that your Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan.

You understand that if you reside outside the United States you may have certain rights with respect to your data. NCR. For example, you may have the right at any time, to confirm from the Company whether the Company processes your Data. You may also have the right to access and review your Data, request additional information about the storage and processing of Data, require any necessary amendments to Data to correct its accuracy or to complete the Data. In certain instances, you may also the right to have your Data erased, to restrict its processing, or to require its delivery to a third party. In some jurisdictions, the Company may be required to obtain your consent to process your Data. To the extent that the Company is required by law to obtain such consents, you agree that NCR, the TPA and any other possible recipients which may assist NCR (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purpose of implementing, administering and managing your participation in the Plan.

You may refuse to consent or withdraw the consents herein, in any case without cost, by contacting in writing your local human resources representative. Further, you understand that you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your employment status or service and career with the Employer will not be adversely affected; the only adverse consequence of refusing or withdrawing your consent is that NCR would not be able to grant you Stock Units or other equity awards or administer or maintain such awards. Therefore, you understand that refusing or withdrawing your consent may affect your ability to participate in the Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you understand that you may contact your local human resources representative.

4. **Non-Disclosure of Confidential Information, Including Trade Secrets.** You acknowledge and agree that your employment with NCR created a relationship of confidence and trust between you and NCR with respect to the Company’s confidential information; you further acknowledge and agree that your particular position and its job duties exposed you to a broad variety of sensitive, confidential and non-public information of competitive value. You warrant and agree that (a) you will keep in confidence and trust all NCR confidential information known to you; (b) you have not transferred, used or disclosed any NCR confidential information (or assisted others in transferring, using or disclosing NCR confidential information) other than as necessary in the ordinary course of performing your duties as an NCR employee, and (c) you will not transfer, use or disclose NCR confidential information (or assist others with the transfer, use or disclosure of NCR confidential information) without the prior written consent of NCR, which may be granted or withheld in NCR’s sole discretion, for any reason or no reason. [US EMPLOYEES ONLY:] Notwithstanding the foregoing, this Agreement does not prohibit you from reporting possible violations of the law to government agencies including, without limitation, the DOJ, SEC, Equal Employment Opportunity Commission, or any agency Inspector General, but you agree and understand that you are waiving, and hereby do waive, your right to monetary compensation and any other relief if any such agency elects to pursue any such claim, whether on your behalf or otherwise, to the fullest extent permitted by law. Nothing in this Agreement is intended to, or shall prevent, impede, or interfere with your providing truthful testimony and truthful information in the course of an investigation or proceeding authorized or required by law and/or conducted by an Agency of the United States. Should you receive a disclosure demand from any government agency, you may reach out to NCR’s General Counsel or its law department for assistance, but you are not required to do so. Further, nothing in this Agreement is intended to or shall preclude you from providing truthful testimony or providing truthful information in response to a

valid subpoena, court order or discovery request in any public proceeding, provided, to the extent permitted by law, you have provided to NCR as much advance notice as practicable of any such compelled disclosure, so as to enable NCR to seek to limit, condition or quash such disclosure.

5. **Compensation.** Your participation in the Plan is voluntary. The value of this Award is an extraordinary item of income, is not part of your normal or expected compensation for purposes of calculating any severance, redundancy, end of service payments, bonus, long-service awards, pension, retirement or other benefits or similar payments. The Plan is discretionary in nature. This Award is a one-time benefit that does not create any contractual or other right to receive additional awards or other benefits in the future. Future grants, if any, are at the sole grace and discretion of NCR, including but not limited to, the timing of the grant, amount and vesting provisions.

6. **No Advice Regarding Grant.** NCR is not providing any tax, legal or financial advice, nor is NCR making any recommendations regarding your participation in the Plan, or your acquisition or sale of the underlying shares of NCR Common Stock. You are hereby advised to consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.

7. **Electronic Agreement; Governing Documents.** This Agreement, including without limitation Section 10, is executed electronically, and it is immediately binding upon your electronic acceptance. If you reside in a country that requires original ink signatures on paper, you hereby waive any such requirement to the extent permitted by law. NCR may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by NCR or the TPA. Information summarized or otherwise shown on the website of the TPA for NCR, which may be updated from time to time, shall be subject to the determinations of the Committee, the Plan and this Agreement.

8. **Severability.** The provisions of this Agreement are severable. If any provision of this Agreement is held to be unenforceable or invalid by a court or other tribunal of competent jurisdiction, it shall be severed and shall not affect any other part of this Agreement, which will be enforced as permitted by law. Provided, however, that to the extent such invalid provision can be rendered valid by modification, you agree that the court or tribunal shall so modify such provision so as to render it valid and enforceable to the fullest extent permitted by law.

9. **Amendment.** The terms of this Award of Stock Units as evidenced by this Agreement may be amended by the NCR Board of Directors or the Committee or any delegate thereof, but no such amendment shall be made which would materially impair your rights hereunder without your consent, except such an amendment made to comply with applicable law, including Section 409A of the Code, stock exchange rules or accounting rules.

10. **Waiver.** You acknowledge that a waiver by NCR of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach of this Agreement.

11. **Provisions Applicable to Participants in Jurisdictions outside the United States.** Notwithstanding any provision of this Agreement or the Plan to the contrary, if you are or become subject to the laws of a jurisdiction outside the United States, your Award shall be subject to any special terms and conditions set forth in any appendix to this Agreement for your country (the "Appendix"). In addition, your Award shall be subject to the laws and requirements of such jurisdiction outside the United States and the terms and conditions of this Agreement are deemed modified to the extent NCR determines necessary or advisable for legal or administrative reasons. Moreover, if you relocate to one of the countries included in the Appendix, the special terms and conditions for such country will apply to you, to the extent NCR determines that the application of such terms is necessary or advisable for legal or administrative reasons. Finally, the Committee may take any other action, including amending this Agreement, before or after an Award is made, that it deems necessary or advisable to obtain approval or comply with any necessary local governmental regulatory requirements or exemptions to the extent such amendment is permissible under the Plan with or without your prior written consent.

12. **Conflicting Terms.** In the event of a conflict between the terms and conditions of this Agreement and the terms and conditions of the Plan, the terms and conditions of the Plan shall prevail, except that with respect to the law governing this Agreement and any claims arising under or relating to it, Section 11 of this Agreement shall prevail.

13. **Code of Conduct Certification; Compliance with Insider Trading Laws and NCR Insider Trading Policy.** Notwithstanding any other provision of this Agreement, this Award of Stock Units and your right to receive payment of any Stock Units that become Vested hereunder are subject to and expressly conditioned upon your timely annual certification to NCR's Code of Conduct, and in the event of your failure to timely provide any such certification as may be required prior to the date that Stock Units would otherwise be paid under this Agreement, those Stock Units shall be forfeited; provided that no such forfeiture shall occur unless you are provided written notice (which notice may be provided by email) of the impending forfeiture, and you do not provide your certification to NCR's Code of Conduct within thirty days following such notice.

With respect to any shares of Common Stock distributed to you hereunder, you understand and agree that if at any time following such distribution you are in possession or have knowledge of material non-public information relating to NCR, in accordance with law you may not trade in NCR securities until the information becomes public, except as may be the case pursuant

to a 10b5-1 trading plan properly executed by you and NCR when you were not in possession or did not have knowledge of material non-public information relating to NCR (to the extent such a trading plan is required or permitted by NCR's Insider Trading Policy). You should consult an attorney if you have questions concerning such matters.

14. **No Employment Modification.** The Plan and this Agreement do not constitute a contract of employment or impose on you, the Company or your Employer any obligation to retain you as an employee, to change the status of your employment, or to change the Company's policies or those of its Subsidiaries regarding termination of employment. For U.S. employees, employment with the Company and the Employer is at will, which means that you or the Company or your Employer may terminate the employment relationship at any time, with or without cause.

15. **Execution and Validity of Agreement.** This Agreement shall be valid, binding and effective upon the Company on the Grant Date. However, the grant contained in this Agreement shall be forfeited by you and this Agreement shall have no force and effect if it is not duly executed by electronic acceptance on the website of the TPA at www.netbenefits.fidelity.com (on which this Agreement is posted) in the form prescribed by the Company within ninety (90) days following the Grant Date (or by such other date as may be required by the Chief Human Resources Officer).

SCHEDULE A
NCR 2019 COMPETING ORGANIZATION LIST

For purposes of non-competition provisions in NCR plans or agreements that refer to "Competing Organizations," the companies identified in the list below, including the subsidiaries and affiliates of each, constitute the current list of "Competing Organizations." This list shall remain in effect until an updated list is approved/posted.

ACI Worldwide	GK Software	Open Table
Acuative	Global Payments	Oracle
Agilysys	HP Inc.	PAR Technology
Altametrics	Infor	PCMS
Appetize	Jack Henry & Assoc.	Q2
Aptos	Kony Inc.	Revel Systems
Diebold Nixdorf	Korala Associates Ltd.	Square
Dimension Data/NTT	Lavu Inc.	Tillster
First Data Corporation (Clover)	LOC Software	Toast, Inc.
FIS	Manhattan Associates	Toshiba TEC
Fiserv	Nautilus Hyosung	Unisys
Fujitsu	NSC Global	Upserve (Breadcrumb)
Getronics	Office Depot (Compucom)	Zebra Technologies Corp
Gilbarco Veeder-Root		

Please note that non-competition provisions in NCR plans or agreements are not limited to the identified Competing Organizations, that other companies may qualify as competitors under such provisions, and that NCR employees may be restricted from accepting employment or other work from such other companies, subject to the terms of the relevant NCR plan or agreement.

APPENDIX A

PROVISIONS FOR NON-U.S. PARTICIPANTS

2019 Time-Based Restricted Stock Unit Award Agreement
NCR Corporation 2017 Stock Incentive Plan

The following terms and conditions apply to Participants who reside outside the United States or who are otherwise subject to the laws of a country other than the United States. In general, the terms and conditions in this Appendix A supplement the provisions of the Agreement, unless otherwise indicated herein.

1. **Nature of Grant.** In accepting the grant, you acknowledge, understand and agree that:

(a) the Stock Units and the shares of NCR Common Stock subject to the Stock Units are not intended to replace any pension rights or compensation;

(b) the Stock Units and the shares of NCR Common Stock subject to the Stock Units and the income and value of same, are not part of normal or expected compensation for any purpose;

(c) the future value of the underlying shares of NCR Common Stock is unknown, indeterminable and cannot be predicted with certainty;

(d) no claim or entitlement to compensation or damages shall arise from forfeiture of the Stock Units resulting from your Termination of Employment (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any), and in consideration of the grant of Stock Units to which you are otherwise not entitled, you irrevocably agree never to institute any claim against NCR, any of its Subsidiaries or Affiliates or the Employer, waive your ability, if any, to bring any such claim, and release NCR, its Subsidiaries and Affiliates, and the Employer from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, you shall be deemed irrevocably to have agreed not to pursue such claim and agree to execute any and all documents necessary to request dismissal or withdrawal of such claim;

(e) for purposes of the Stock Units, your employment or service relationship will be considered terminated as of the date you are no longer actively providing services to NCR or the Employer (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any) and unless otherwise expressly provided in this Agreement or determined by NCR, your right to vest in the Stock Units under the Plan, if any, will terminate as of such date and will not be extended by any notice period (for example, your period of service would not include any contractual notice period or any period of “garden leave” or similar period mandated under employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any); the Committee shall have the exclusive discretion to determine when you are no longer actively providing services for purposes of your Award (including whether you may still be considered to be providing services while on a leave of absence);

(f) unless otherwise provided in the Plan or by the Company in its discretion, the Award and the benefits evidenced by this Agreement do not create any entitlement to have the Award or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the shares of the Company; and

(g) neither NCR, the Employer nor any Subsidiary or Affiliate shall be liable for any foreign exchange rate fluctuation between your local currency and the United States Dollar that may affect the value of the Stock Units or of any amounts due to you pursuant to the settlement of the Stock Units or the subsequent sale of any shares of NCR Common Stock acquired upon settlement.

2. **Language.** If you have received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control. You acknowledge that it is your express wish that this Agreement, as well as all documents, notices, and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English. By accepting the Stock Units, you confirm having read and understood the Plan and this Agreement, including all terms and conditions included therein, which were provided in the English language. You accept the terms of those documents accordingly.

3. **Conditions for Issuance.** Notwithstanding any other provision of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the shares of NCR Common Stock, the Company shall not be required to deliver any shares issuable upon settlement of the Stock Units prior to the completion of any registration or qualification of the shares under any local, state, federal or foreign securities or exchange control law or under rulings or regulations of the U.S. Securities and Exchange Commission (“SEC”) or of any other governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. You understand that the Company is under no obligation to register or qualify the shares with the SEC or any state or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the shares. The grant of Stock Units is not intended to be a public offering of securities in your country, and the Company has not submitted any registration statement, prospectus or other filings with the local securities authorities in connection with this grant, and the grant of the Stock Units is not subject to the supervision of the local securities authorities.

4. **Repatriation and Other Non-U.S. Compliance Requirements.** As a condition of the grant of your Stock Units, you agree to repatriate all payments attributable to the shares of NCR Common Stock and/or cash acquired under the Plan (including, but not limited to, dividends and dividend equivalents) in accordance with local foreign exchange rules and regulations in your country of residence (and your country of employment, if different). In addition, you also agree to take any and all actions, and consent to any and all actions taken by the Company, its Subsidiaries and Affiliates, as may be required to allow the Company, its Subsidiaries and Affiliates to comply with local laws, rules and regulations in your country of residence (and your country of employment, if different). Finally, you agree to take any and all actions as may be required to comply with your personal legal and tax obligations under local tax, exchange control, insider trading and other laws, rules and regulations in your country of residence (and your country of employment, if different) with respect to the Stock Units and the NCR Common Stock issued with respect thereto.

5. **Insider Trading Restrictions/Market Abuse Laws.** You acknowledge that, depending on your country of residence, you may be subject to insider trading restrictions and/or market abuse laws, which may affect your ability to acquire or sell shares

of NCR Common Stock or rights to such shares (e.g., Stock Units) under the Plan during such times as you are considered to have “inside information” regarding the Company (as defined by the laws in your country). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable insider trading policy of the Company. You acknowledge that it is your responsibility to comply with any applicable restrictions, and you are advised to speak to your personal advisor on this matter.

APPENDIX B

COUNTRY-SPECIFIC PROVISIONS FOR NON-U.S. PARTICIPANTS

2019 Time-Based Restricted Stock Unit Award Agreement NCR Corporation 2017 Stock Incentive Plan

This Appendix B includes special terms and conditions applicable to you if you reside in the countries below. These terms and conditions are in addition to or, if so indicated, in place of, those set forth in the Agreement. Capitalized terms used but not defined in this Appendix have the meanings assigned to them in the Plan, or the Agreement, as applicable.

This Appendix B also includes information relating to exchange control and other issues of which you should be aware with respect to your participation in the Plan. The information is based on the exchange control, securities and other laws in effect in the respective countries as of the Grant Date. Such laws are often complex and change frequently. As a result, NCR strongly recommends that you do not rely on the information herein as the only source of information relating to the consequences of participation in the Plan because the information may be out of date at the time the Stock Units are Vested or shares of NCR Common Stock acquired under the Plan are sold.

In addition, the information is general in nature and may not apply to your particular situation and NCR is not in a position to assure you of any particular result. Accordingly, you are advised to seek appropriate professional advice as to how the relevant laws in your country may apply to your situation. Finally, if you are a citizen or resident of a country other than the one in which you are currently working, are considered a citizen or resident of another country for local law purposes, or transfer employment or residency to another country after the Grant Date, the notifications contained herein may not be applicable to you. In addition, NCR shall, in its discretion, determine to what extent the terms and conditions contained herein shall be applicable to you.

CHINA

Settlement of Stock Units. This provision supplements Section 3 of the Agreement:

To facilitate compliance with exchange control laws and regulations in the People’s Republic of China (“China”), you agree to the sale of any shares of Common Stock to be issued upon vesting and settlement of the Stock Units. The sale will occur (i) immediately upon vesting and settlement of the Stock Units, (ii) following your Termination of Employment, or (iii) within any other time frame as the Company determines to be necessary to facilitate compliance with local regulatory requirements. You further agree that the Company is authorized to instruct its designated broker to assist with the mandatory sale of such shares (on your behalf pursuant to this authorization) and you expressly authorize the Company’s designated broker to complete the sale of such shares. You agree to sign any agreements, forms and/or consents that may be reasonably requested by NCR (or the broker) to effectuate the sale of the shares of NCR Common Stock and shall otherwise cooperate with NCR with respect to such matters. You acknowledge that neither NCR nor the broker is under any obligation to arrange for the sale of the shares of NCR Common Stock at any particular price and that broker’s fees and similar expenses may be incurred in any such sale. In any event, when the shares of NCR Common Stock are sold, the proceeds of the sale of such shares, less any Tax-Related Items and the broker’s fees, commissions or similar expenses, will be remitted to you in accordance with applicable exchange control laws and regulations.

Exchange Control Restrictions. You understand and agree that, if you are subject to exchange control laws in China, you will be required to immediately repatriate to China the proceeds from the sale of any shares of NCR Common Stock acquired under the Plan. You further understand that such repatriation of the proceeds may need to be effected through a special exchange control account established by NCR or a Subsidiary or Affiliate, and you hereby consent and agree that the proceeds from the sale of shares of NCR Common Stock acquired under the Plan may be transferred to such account by NCR (or the broker) on your behalf prior to being delivered to you. You also agree to sign any agreements, forms and/or consents that may be reasonably requested by NCR (or the broker) to effectuate such transfers.

The proceeds may be paid to you in U.S. dollars or local currency at NCR’s discretion. If the proceeds are paid to you in U.S. dollars, you understand that you will be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the proceeds are paid to you in local currency, (i) you acknowledge that NCR is under no obligation to secure any particular exchange conversion rate and that NCR may face delays in converting the proceeds to local currency due to exchange control restrictions, and (ii) you agree to bear any currency fluctuation risk between the time the shares of NCR Common Stock are sold and the time the proceeds are converted to local currency and distributed to you.

Finally, you agree to comply with any other requirements that may be imposed by NCR in the future in order to facilitate compliance with exchange control requirements in China.

ISRAEL

Trust Arrangement. You understand and agree that this Award is offered subject to and in accordance with the terms of the Plan and its Israeli Appendix. Upon vesting, the shares of Common Stock shall be controlled by the Company's trustee appointed by the Company or its Subsidiary or Affiliate in Israel (the "Trustee") for your benefit for at least such period of time as required by Section 102 or any shorter period determined under the Israeli Income Tax Ordinance (New Version), 5721-1961 as now in effect or as hereafter amended (the "Ordinance") (with respect to the "capital gain route") or by the Israeli Tax Authority (the "Lock-Up Period"). You shall be able to request the sale of the shares or the release of the shares from the Trustee, subject to the terms of the Plan, this Agreement and any applicable Israeli tax law. Without derogating from the aforementioned, if the shares are released by the Trustee during the Lock-Up Period, the sanctions under Section 102 of the Ordinance shall apply to and be borne by you. The shares shall not be sold or released from the control of the Trustee unless the Company, the Subsidiary or Affiliate and the Trustee are satisfied that the full amount of Tax-Related Items due have been paid or will be paid in relation thereto. Notwithstanding any provision of this Agreement or the Plan to the contrary except the provisions in Section 2 of this Agreement relating to a Good Reason Termination (as defined in Section 2) or your Retirement (in each case, to the extent specifically applicable to you), in the event of your resignation from service with NCR or the Employer due to any reason, including worsening of employment conditions, or any other reason relating to conditions of employment, all unvested Stock Units will automatically terminate and be forfeited and no shares or cash will be issued or paid to you (as the case may be).

2019 Performance-Based Restricted Stock Unit Award Agreement
NCR Corporation 2017 Stock Incentive Plan

You have been awarded performance-based restricted stock units (“Stock Units”) from NCR Corporation. See www.netbenefits.fidelity.com for your award details, including effective date (“Grant Date”). Your award is subject to the terms of this Agreement, including non-competition and other restrictive covenants. Your award is also subject to the NCR Corporation 2017 Stock Incentive Plan terms, as may be amended from time to time (“Plan”), which defines capitalized terms not defined herein.

1. **Grant of Stock Units.** Subject to potential adjustment as set forth in Section 2 and further subject to the other terms and conditions of this Agreement, one-third (1/3) of the earned Stock Units will become vested and non-forfeitable on each of the first, second and third anniversaries of the Grant Date (each a “Vesting Date”), provided that (i) the Compensation and Human Resource Committee of the NCR Board of Directors (the “Committee”) has certified that NCR Corporation (“NCR” or “Company”) has achieved the performance goals specified below for the period from January 1, 2019 through December 31, 2019 (the “Performance Period”), and (ii) you are continuously employed by NCR or a Subsidiary or Affiliate of NCR (each, an “Employer”) through and until the applicable Vesting Date. In all cases, the Committee shall certify whether NCR has achieved the specified performance vesting measures (as outlined in Section 2 below), within ninety (90) days following the end of the Performance Period. The Stock Units are referred to in this Agreement as “Vested” at the time they become vested and non-forfeitable pursuant to this Section or Section 2 or Section 4 below.

2. **Performance Vesting.** The number of Stock Units awarded to you (the “Target Award Number”) may be adjusted upward or downward depending on whether NCR’s Revenue (independently weighted 40%) and Adjusted Operating Income (independently weighted 60%) for the Performance Period (“NCR Performance”) is greater or less than the targets for these performance measures (the “Performance Targets”). You may receive from 0% up to 200% of the Target Award Number based on NCR Performance. The number of Stock Units that you will receive under this Agreement, after giving effect to such adjustment, is referred to as the “Earned Units.”

The Earned Units represent the right to receive a number of Stock Units equal to the number of Earned Units, subject to the vesting requirements and distribution provisions of this Agreement and the terms of the Plan.

Notwithstanding the foregoing, the Committee reserves the right to reduce the Earned Units based on the achievement of the Revenue and Adjusted Operating Income goals during the Performance Period, and as a result, may reduce the number of Stock Units that will vest based on such achievement and such other factors as the Committee in its sole and absolute discretion determines to be appropriate and/or advisable.

For purposes of this Agreement, “Revenue” and “Adjusted Operating Income” shall have the meanings approved by the Committee. The Earned Units shall be determined by the Committee based on the extent that the “Threshold,” “Target” and “Maximum” levels of Revenue and Adjusted Operating Income are achieved as determined by the Committee, which levels will be summarized on the grant details page on the website of the third-party administrator (“TPA”) for NCR (and updated from time to time). All information summarized or otherwise shown on the website of the TPA shall be subject to the determinations of the Committee, the Plan and this Agreement.

3. **Settlement of Stock Units.** Except as may be otherwise provided in Section 4 or 5 below, or Section 14.12 of the Plan or pursuant to an election under Section 14.11 of the Plan, Vested Stock Units will be paid to you as soon as reasonably practicable after the earliest of: (a) the applicable Vesting Date, (b) your Termination of Employment if such Termination of Employment results in vesting pursuant to Section 4 below, including but not limited to a Termination of Employment in connection with a Change in Control, or (c) the Change in Control date if vesting occurs in connection with a Change in Control without a Termination of Employment as determined under Section 4 below. In all events, the settlement date shall be no later than March 15 of the year following the year in which the earliest of such events occurs; except that, notwithstanding any other provision hereof, the settlement date in the event of vesting in connection with a Change in Control as described in Section 4(i) or 4(ii) shall be no later than 30 days after the Termination of Employment date or the Change in Control date, as applicable. Such Vested Stock Units will be paid to you in shares of Common Stock (such that one Stock Unit equals one share of Common Stock) or, in NCR’s sole discretion in an amount of cash equal to the Fair Market Value of such number of shares of Common Stock on date that immediately precedes the Vesting Date (or such earlier date upon which the Stock Units have become Vested pursuant to Section 4 of this Agreement), or a combination thereof (the date of such payment shall be referred to herein as the “Settlement Date”).

4. **Certain Events Resulting in Accelerated Vesting Date.** The Plan provides for what happens in connection with certain events resulting in accelerated vesting of the Award. The following charts describe the more common events. Except as otherwise provided below, in the event of your Termination of Employment prior to the Vesting Date for any reason, all unvested

Stock Units will automatically terminate and be forfeited and no shares or cash will be issued or paid (as the case may be). For purposes of the chart below, the “Pro-Rata Fraction” means a fraction, the numerator of which is the number of days that you completed as an employee of the Employer during the period beginning on the Grant Date and ending on the date that is thirty-six (36) months after the Grant Date, and the denominator of which is the number of days during the period beginning on the Grant Date and ending on the date that is thirty-six (36) months after the Grant Date.

Termination Provisions

Termination Event	Treatment of Stock Units
Death or Disability	<p>Full Vesting—The unvested Stock Units will become fully Vested pursuant to this Section 4, immediately upon your Termination of Employment due to death or Disability, as follows: (i) if employment ends during the Performance Period, full vesting will apply based on the greater of: (a) Target performance, or (b) actual or projected actual level of Company performance on the applicable performance measures as determined in the Committee’s sole discretion, and (ii) if employment ends after the Performance Period ends, full vesting will apply only to Earned Units not previously vested.</p> <p>Any portion of the unvested or unearned Stock Units that do not vest in accordance with the foregoing will terminate and be forfeited.</p>
Involuntary Termination (other than for Cause) or Retirement	<p>Prorated Vesting—A pro-rata portion of the unvested Stock Units will become Vested effective on the Vesting Date for your Award determined under Section 2, and will be determined by: (A) calculating the total number of shares that you would have received (as determined under Section 2) as if your NCR employment had not terminated prior to the last Vesting Date for Stock Units awarded under this Agreement, and (B) multiplying that number by the Pro-Rata Fraction, and (C) subtracting from the resulting amount the number of Stock Units that previously vested under this Agreement (if any).</p> <p>Any portion of the unvested Stock Units that do not vest in accordance with the foregoing will terminate and be forfeited.</p>
Voluntary Resignation	Forfeited—Unvested Stock Units will be forfeited.
Termination for Cause	Forfeited—Unvested Stock Units will be forfeited.

For purposes of this Agreement, “Disability” means Termination of Employment as a result of a disability for which you qualify for benefits under the NCR Long-Term Disability Plan or another long-term disability plan sponsored by NCR, its Subsidiaries or Affiliates. “Retirement” means your Termination of Employment when you are age 62 or older with at least 10 years of continuous service with the Company and its Subsidiaries and Affiliates for the period ending on the date of your Termination of Employment (but excluding service with any entity whose stock or assets were acquired by the Company for the period prior to such acquisition). “Involuntary Termination” means Termination of Employment by the Company or the Employer for any reason other than for Cause (as defined in the Plan and, for the avoidance of doubt, not including any termination due to your Disability), excluding termination by the Company, the Employer, or the continuing entity or successor during the 24 months following a Change in Control.

Change in Control Provisions

Change in Control Event	Treatment of Stock Units
Change in Control occurring during the Performance Period	The Target Award Number of Stock Units shall Vest ratably as provided in Section 1 (without regard to performance and with no proration), subject to your continued employment through the applicable Vesting Dates (and subject to the special vesting rules immediately below).
Change in Control occurring after the end of the Performance Period	The unvested Earned Units shall Vest ratably as provided in Section 1 (with no proration), subject to your continued employment through the applicable Vesting Dates (and subject to the special vesting rules immediately below).

Notwithstanding any other provision of this Agreement to the contrary other than Sections 6, 10, 13 and 25:

(i) where the Stock Units are assumed, converted or replaced by the continuing entity or successor, if, during the twenty four (24) months following the Change in Control, you incur a Termination of Employment by NCR, the Employer or the continuing entity or successor other than for Cause (as defined in the NCR Change in Control Severance Plan, to the extent you are a Participant in the NCR Change in Control Severance Plan at the time of such Termination of Employment; otherwise, as defined in the Plan and, for the avoidance of doubt, not including any termination due to your Disability) or, if you are a Participant in the NCR Change in Control Severance Plan, an NCR policy or a similar arrangement or individual agreement that defines “Good Reason” in the context of a resignation following a Change in Control and you terminate your employment for Good Reason as so

defined, to the extent not then Vested, the Stock Units shall become Vested immediately upon your Termination of Employment in the amounts determined as set forth in the chart above with respect to performance; and

(ii) in the event a Change in Control occurs prior to the applicable Vesting Date and the Stock Units are not assumed, converted or replaced by the continuing entity or successor, the Stock Units shall become Vested immediately prior to the Change in Control in the amounts determined as set forth in the chart above with respect to performance.

5. **Compliance with Section 409A of the Code.** The intent of the parties is that payments under this Agreement comply with Section 409A of the Code or are exempt there from, and this Agreement shall be interpreted, administered and governed in accordance with such intent.

6. **Confidentiality.** You agree that the terms of this Agreement are to remain confidential and you will not disclose the terms of this Agreement to anyone other than your spouse, domestic partner, tax advisor, or attorney, or as required by law. You agree that you will require that persons to whom disclosure is made as permitted by this paragraph will keep any such information confidential and will not disclose it to others. Notwithstanding this confidentiality provision, you may disclose to any prospective employer the fact that you are subject to obligations of non-disclosure, non-competition, non-solicitation, and non-recruit/hire and may provide those sections of this Agreement to such prospective employer. A disclosure by you of this Agreement required pursuant to any person, court or non-governmental proceeding will not constitute a breach of this Agreement if, to the extent permitted under the circumstances, you: (a) have first provided notice to NCR and its General Counsel, at law.notices@ncr.com, and provided an opportunity to NCR to protect such information by protective order or other means; and (b) you disclose only that portion of this Agreement that you are legally required to disclose. [FOR US EMPLOYEES ONLY:] However, upon request by a U.S. government agency, such as the Securities and Exchange Commission (“SEC”) or the Department of Justice (“DOJ”) in connection with a government investigation, you may provide a copy of this Agreement to the agency without first providing notice to NCR.

7. **Adjustments Based on Certain Changes in the Common Stock.** In the event of any stock split, reverse stock split, stock dividend, recapitalization or similar change affecting the Common Stock, the Award shall be equitably adjusted in accordance with Section 3.04 of the Plan.

8. **Nontransferability.** At all times before the Vesting Date, the Stock Units, to the extent not fully Vested, may not be sold, transferred, pledged, assigned or otherwise alienated, except by beneficiary designation, by will or by the laws of descent and distribution upon your death. As soon as practicable after the Vesting Date (or such other date as Stock Units become payable in accordance with Section 4), if Stock Units are to be paid in the form of shares of Common Stock, NCR will instruct its transfer agent and/or its TPA to record on your account the number of such shares underlying the number of Stock Units, and such shares will be freely transferable.

9. **Dividends.** Any cash dividends declared before the date the Stock Units become Vested on the shares underlying unvested Stock Units shall not be paid currently, but shall be converted into additional unvested Stock Units, and any cash dividends declared after the Stock Units become Vested but before the applicable Settlement Date on the shares underlying Vested Stock Units shall not be paid currently, but shall be converted into additional Vested Stock Units and settled pursuant to Section 3 at the same time as the underlying Vested Stock Units. Any Stock Units resulting from such conversion (the “Dividend Units”) will be considered Stock Units for purposes of this Agreement and will be subject to all of the terms, conditions and restrictions set forth herein that apply to the underlying Stock Units that generated the Dividend Units. As of each date that NCR would otherwise pay the declared dividend on the shares underlying the Stock Units (the “Dividend Payment Date”) in the absence of the reinvestment requirements of this Section, the number of Dividend Units will be determined by dividing the amount of dividends otherwise attributable to the Stock Units but not paid on the Dividend Payment Date by the Fair Market Value of NCR’s Common Stock on the Dividend Payment Date.

10. **Non-Competition, Non-Solicitation and Non-Recruit/Hire.**

(a) Pursuant to your employment with NCR (“the Company”), you have or will have access to, and knowledge of, certain confidential information (including, without limitation, trade secrets and information about the Company’s business, operations, customers, employees, and industry relationships) not known to, or readily ascertainable by, the public or NCR’s competitors and that gives the Company a competitive advantage (“**Confidential Information**”). You acknowledge that any unauthorized use (including use for your own benefit or to the benefit of others), transfer, or disclosure by you of NCR’s Confidential Information can place NCR at a competitive disadvantage and cause damage, financial and otherwise, to its business. You further acknowledge that, because of the knowledge of and access to the Confidential Information of the Company that you have acquired or will have acquired during your employment, you will be in a position to compete unfairly with the Company following the termination of your employment.

(b) **Post-Employment Restrictive Covenants.** Therefore, for the purpose of protecting NCR's business interests, including the Confidential Information, goodwill and stable trained workforce of the Company, and in exchange for the benefits and consideration provided to you under this Agreement (including, without limitation, the potential future vesting of Stock Units), you agree that, for a 12-month period after the termination of your NCR employment (or if applicable law mandates a maximum time that is shorter than 12 months, then for a period of time equal to that shorter maximum period) (the "**Restricted Period**"), regardless of the reason for termination, you will not, without the prior written consent of the Chief Executive Officer of NCR:

(1). **Non-Recruit/Hire** - Directly or indirectly (including without limitation assisting third parties) recruit, hire or solicit, or attempt to recruit, hire or solicit any employee of NCR, induce or attempt to induce any employee of NCR to terminate his or her employment with NCR, or refer any such employee to anyone outside of the Company for the purpose of that NCR's employee's seeking, obtaining, or entering into an employment relationship or agreement to provide services;

(2). **Non-Solicitation** - Directly or indirectly (including without limitation assisting others), solicit or attempt to solicit the business of any NCR customers or prospective customers with which you had Material Contact (as defined in Section 10(c)(i) below) during the last 2 years of your NCR employment for purposes of providing products or services that are competitive with those provided by NCR;

(3). **Non-Competition** - Perform services, directly or indirectly, in any capacity (including, without limitation, as an employee, consultant, contractor, owner or member of a board of directors):

(i) Of the type conducted, authorized, offered, or provided by you on behalf of NCR during the 2 years prior to termination of your NCR employment;

(ii) In connection with Competing Products/Services (as defined in Section 10(c)(ii)) that are similar to or serve substantially the same functions as those with respect to which you worked during the 2 years prior to termination of your NCR employment or about which you obtained trade secret or other Confidential Information;

(iii) Within the geographic territories (including countries and regions, if applicable, or types, classes or tiers of customers if no geographic territory was assigned to you) where or for which you performed, were assigned, or had responsibilities for such services during the 2 years preceding your termination; and

(iv) On behalf of a Competing Organization (as defined in Section 10(c)(iii)).

(c) For purposes of Section 10 of this Agreement, the following definitions shall apply:

(i) "**Material Contact**" means the contact between you and each customer or prospective customer (a) with which you dealt on behalf of NCR, (b) whose dealings with NCR were coordinated or supervised by you, (c) about whom you obtained confidential information in the ordinary course of business as a result of your association with NCR, or (d) who receives products or services authorized by NCR, the sale or provision of which results, resulted or, with regard to prospective customers, would have resulted in compensation, commissions, or earnings for you within the 2 years prior to the date of your termination;

(ii) "**Competing Products/Services**" are any products, services, solutions, platforms, or activities that compete, directly or indirectly, in whole or in part, with one or more of the products, services or activities produced, provided or engaged in by NCR (including, without limitation, products, services or activities in the planning or development stage during your NCR employment) at the time of your separation from NCR and during the 2 years prior to termination of your NCR employment;

(iii) A "**Competing Organization**" is any person, business or organization that sells, researches, develops, manufactures, markets, consults with respect to, distributes and/or provides referrals with regard to one or more Competing Products/Services;

(iv) The NCR "**Competing Organization List**," which the Company updates from time to time, provides examples of companies that, as of the date of the List's publication, meet the definition of Competing Organization under Section 10(c)(iii) above. However, the Competing Organization List is not comprehensive and, in the event of a conflict between Section 10(c)(iii) and the Competing Organization List, Section 10(c)(iii) controls. The most recent version of the Competing Organization List in effect at the time of the termination of your NCR employment, which is available on the NCR HR intranet, or from the NCR Law Department or HR upon request, is the version to consult for relevant examples of Competing Organizations for purposes of this Agreement. As of the Grant Date, the companies listed on Schedule A to this Agreement (and the subsidiaries of each) constitute the Company's Competing Organization List for 2019.

(v) All references to "**NCR employment**" in this Section 10 refer to your employment by NCR (or, if different, to an affiliate or subsidiary of NCR) and shall also be deemed to include your employment, if any, by any company the stock or substantially all the assets of which NCR has acquired. As a non-limiting example, a reference to the "2 years prior to the

termination of your NCR employment” may include both time as an NCR employee and time as a Retalix Ltd or Digital Insight employment.

(d) **Consideration.** You acknowledge that (a) you would not have received the benefits and consideration provided under this Agreement, including the potential future vesting of equity awards, but for your consent to abide by the Post-Employment Restricted Covenants contained in Section 10(b); (b) you must abide Section 10(b) regardless of whether any stock units or other equity has vested or been distributed as of the time of any violation of its terms; and (c) your agreement to Section 10(b) is a material component of the consideration for this Agreement.

(e) **Remedies.** You agree that, if you breach any of the provisions of this Agreement: (i) NCR shall be entitled to all of its remedies at law or in equity, including but not limited to money damages and injunctive relief; (ii) in the event of such breach, in addition to NCR’s other remedies, any unvested Stock Units will be immediately forfeited and deemed canceled, and you agree to pay immediately to NCR the Fair Market Value of any Stock Units that vested during the 18 months prior to the date of your termination of employment (or if applicable law mandates a maximum time that is shorter than 18 months, then for a period of time equal to the shorter maximum period), without regard to whether you continue to own the shares associated with such Stock Units; and (iii) NCR shall also be entitled to an accounting and repayment from you of all profits, compensation, commissions, remuneration or benefits that you (and/or the applicable Competing Organization) directly or indirectly have realized or may realize as a result of or in connection with any breach of these covenants, and such remedy shall be in addition to and not in limitation of any injunctive relief or other rights or remedies to which NCR may be entitled at law or in equity. For U.S. employees, pursuant to the Defense of Trade Secrets Act, NCR may also recover punitive damages and attorneys’ fees, and may also seek and be awarded ex parte seizure of property necessary to prevent the unauthorized use, transfer and disclosure of trade secrets.

(f) **Subsequent Employment.** You agree that, while employed by NCR and for 1 year thereafter, you will communicate the contents of this Agreement to any person, firm, association, partnership, corporation or other entity which you intend to become employed by, contract for, associated with or represent, prior to accepting and engaging in such employment, contract, association and/or representation.

(g) **Tolling.** [FOR US EMPLOYEES ONLY:] You agree that the Restricted Period shall be tolled and suspended during and for the pendency of any violation of its terms and for the pendency of any legal proceedings to enforce any of the covenants set forth in this Section 10 and that all time that is part of or subject to such tolling and suspension shall not be counted toward the 12-month duration of the Restricted Period.

(h) **Reasonable and Necessary.** You agree that the Post-Employment Restrictive Covenants set forth in Section 10(b) are reasonable and necessary for the protection of NCR’s legitimate business interests, that they do not impose a greater restraint than is necessary to protect the goodwill or other business interests of NCR, that they contain reasonable limitations as to time and scope of activity to be restrained, that they do not unduly restrict your ability to earn a living, and that they are not unduly burdensome to you.

(i) **Severability.** Each clause of this Agreement and Section constitutes an entirely separate and independent restriction and the duration, extent and application of each of the restrictions are no greater than is necessary for the protection of NCR’s interests. If any part or clause of this Section 10 is held unenforceable, it shall be severed and shall not affect any other part of Section 10 and this Agreement.

(j) **Amendment for California Employees Only.** Section 10(b)’s Non-Competition, Non-Solicitation, and Non-Recruit/Hire restrictions do not apply to you if, following the termination of your NCR employment, you continue to reside or work in California. Notwithstanding the foregoing, you are and shall continue to be prohibited from any unauthorized use, transfer, or disclosure of the Company’s Confidential Information, including trade secrets, pursuant to the California Trade Secrets Act, the U.S. Defend Trade Secrets Act of 2016, your confidentiality and non-disclosure agreements with NCR, and any other applicable federal, state and common law protections afforded proprietary business and trade secret information.

(k) **Non-U.S. Country-Specific Amendments.** The restrictions contained in Section 10(b)(2) and/or (3) do not apply to you if, following the termination of your NCR employment, you continue to reside or work in a country that mandates, as a non-waiveable condition, continued pay during the Restricted Period, unless NCR advises you it will tender such pay, which shall be in the minimum amount required by local law. Section 10(b)(2) and/or (3) do not apply to you if you are terminated without cause (as this term or concept is defined by applicable law) and you reside in a country that requires termination for cause in order to enforce post-employment non-competition and/or non-solicitation restrictions. [FOR EMPLOYEES IN ARGENTINA, BELGIUM, CHINA, CZECH REPUBLIC, ISRAEL, SERBIA ONLY:] The restrictions set forth in Section 10(b)(2) and/or (3), as the case may be, shall have the additional consideration of a monthly payment from NCR during the term of the Agreement in such amount as is minimally required by law (“**Non-Competition Compensation**”); however, NCR may at any time, and in its sole discretion, waive the obligations and duties set forth in Section 10(b)(2) and/or (3), which shall release NCR from the obligation of making Non-Competition Compensation payments. Subject to the foregoing and local law, Non-Competition Compensation, if calculated based on monthly salary, will exclude any bonus, commissions, ex gratia payments, payments under any share option or incentive plan, benefits, “thirteenth-month” salary, or any payment in respect of any vacation entitlement accrued or that would have accrued during the period of the Agreement, and the payment of Non-Competition Compensation shall be made in monthly installments starting 1-month after the start of the Restricted Period (or, if applicable law mandates a maximum time that is shorter than 1

month, then for a period of time equal to that shorter maximum period) (“**Payment Period**”). If NCR does not commence the Non-Competition Compensation payments within the Payment Period, this shall affect a mutual release of Section 10(b)(2) and (3) obligations and no separate waiver need be provided by NCR. In such circumstances, you will not be subject to any ongoing non-competition or non-solicitation obligations, nor will NCR have any obligation to pay the Non-Competition Compensation; however, this release does not extend to the obligations under Section 10(b)(1), which will continue to apply. [FOR EMPLOYEES IN DENMARK, FRANCE, GERMANY ONLY:] Section 10(b)(2) and (3) of this Section do not apply to you if, following the termination of your NCR employment, you continue to reside or work in Denmark, France, or Germany; however, Section 10(b)(1) shall continue to apply. [FOR EMPLOYEES IN UAE ONLY:] In the event that you breach the Section 10(b)(3) Non-Competition restrictive covenant, you acknowledge that NCR will suffer irreparable damage, and you promise to pay NCR on demand damages in a sum equal to the amount of 6 months of your salary that was in effect when your NCR employment ended. You acknowledge that this sum represents a reasonable estimate of damages that NCR will suffer, and that, where local law allows, NCR may seek additional compensatory damages.

(l) [FOR U.S. EMPLOYEES ONLY:] Pursuant to the Defend Trade Secrets Act of 2016, you understand that: an individual may not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (i) is made (a) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (b) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. Further, an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the employer's trade secrets to the attorney and use the trade secret information in the court proceeding if the individual: (i) files any document containing the trade secret under seal; and (ii) does not disclose the trade secret, except pursuant to court order.

11. [FOR U.S. EMPLOYEES ONLY:] **Arbitration, and Class, Collective, and Representative Action Waiver.** You and NCR (collectively, “The Parties”) agree that any controversy or claim arising out of or related to this Agreement and/or with respect to your employment with NCR shall be resolved by binding arbitration; the obligation to arbitrate shall also extend to and encompass any claims that you may have or assert against any NCR employees, officers, directors or agents. Notwithstanding the foregoing, the following disputes and claims are not covered by this Arbitration provision and shall therefore be resolved in any appropriate forum as required by the laws then in effect: claims for workers’ compensation benefits, unemployment insurance, or state or federal disability insurance; claims for temporary or preliminary injunctive relief (including a temporary restraining order) in aid of arbitration or to maintain the status quo pending arbitration; and any other dispute or claim that has been expressly excluded from arbitration by statute. The Parties further agree that in the event of a breach of this Agreement, NCR or you may, in addition to any other available remedies, bring an action in a Court of competent jurisdiction for equitable relief pending appointment of an arbitrator and completion of an arbitration; and, in such instance, shall not be required to post a bond. If any portion of this Arbitration provision is held unenforceable, it shall be severed and shall not affect the duty to arbitrate nor any other part of this Section. In addition:

(a) The Parties agree that any demand for arbitration shall be filed within the statute of limitations applicable to the claim or claims upon which arbitration is sought or required, or the claim shall be barred. Arbitration shall be conducted in accordance with the Employment Arbitration Rules and Mediation Procedures of the American Arbitration Association (available at www.ADR.org) to the extent not inconsistent with the terms of this Agreement. The arbitrator shall allow discovery in the form of: (1) the mutual exchange of documents (as defined under the Federal Rules of Civil Procedure) pertaining to the claim being arbitrated and for which there is a direct and demonstrable need; and (2) up to three depositions by each party. Upon good cause shown, in a personal or telephonic hearing, the arbitrator may allow additional, non-burdensome discovery. The arbitrator shall balance the likely importance of the requested materials with the cost and burden of the discovery sought, and when disproportionate, the arbitrator may deny the request(s) or require that the requesting party advance the reasonable cost of production to the other side. Issues of arbitrability shall be determined in accordance with the U.S. federal substantive and procedural laws relating to arbitration; in all other respects, this Agreement shall be governed by the laws of the State of Georgia in the United States, without regard to its conflict-of-laws principles, and the arbitration shall be held in the metropolitan Atlanta, Georgia area, with the exception of employees who primarily reside and work in California, for whom arbitration shall be held in California, and with respect to controversies arising in California, to which California law shall apply. The arbitration shall be held before a single arbitrator who is an attorney having at least five years of experience in employment law. The arbitrator’s decision and award shall be written, final and binding and may be entered in any court having jurisdiction. The Parties agree that nothing in this Agreement relieves them from any obligation they may have to exhaust certain administrative remedies before arbitrating any claims or disputes under this Agreement. Each party shall bear its own attorney fees associated with the arbitration; other costs, and the expenses of the arbitration, shall be borne as provided by the rules of the American Arbitration Association.

(b) **Class, Collective and/or Representative Action Waiver.** To the maximum extent permitted by law: (1) all covered claims under this Agreement must be brought in the party’s individual capacity, and not as a plaintiff or class member in any purported class, collective or representative proceeding; (2) no claims may be brought or maintained on a class, collective or representative basis either in Court or in arbitration, notwithstanding the rules of the arbitral body; (3) such claims will be decided on an individual basis in arbitration pursuant to this Agreement; and (4) the Parties expressly waive any right with respect to any covered claims to submit, initiate, or participate as a plaintiff, claimant or member in a class action or collective action, regardless of whether the action is filed in arbitration or in court. Claims may not be joined or consolidated in arbitration with disputes brought by or against other individual(s), unless agreed to in writing by the Parties (you, NCR, and the other individual(s)). Any issue concerning the validity of this class, collective or representative action waiver, and whether an action may proceed as a class,

collective or representative action, must be decided by a Court, and an arbitrator shall not have authority to consider the issue of the validity of this waiver or whether the action may proceed as a class, collective or representative action. If, for any reason, this class, collective and/or representative action waiver is determined to be unenforceable, then the class, collective or representative claim may proceed only in a Court of competent jurisdiction and may not be arbitrated. No arbitration award or decision will have any preclusive or estoppel effect as to issues or claims in any future dispute.

1. **Withholding.** %2. Prior to any relevant tax or tax withholding event (as applicable) and as a condition of your receiving the shares of Common Stock in respect of the Stock Units, you agree to make arrangements satisfactory to NCR and/or the Employer to satisfy all income tax, social insurance tax, payroll tax, fringe benefits tax or other Federal, state or local tax payment or withholding requirements or other tax related items (collectively, "Tax-Related Items") applicable to you as a result of or related to your participation in the Plan. In this regard, you agree to pay to NCR, including, at NCR's sole discretion, through payroll withholding or other method prescribed by the Chief Human Resources Officer, an amount equal to the amount of such Tax-Related Items required to be paid or withheld with respect to the Stock Units as determined in the sole discretion of NCR; provided that you will be required to pay any such amount prior to the tax or tax withholding event (as applicable) and as a condition of your receiving the shares of Common Stock to be issued in respect of the Stock Units. Such payment of Tax-Related Items shall be made by NCR withholding shares of Common Stock that are issuable upon the settlement of the Stock Units equal to the amount required to be withheld or paid as determined by NCR, except to the extent that: (i) the Chief Human Resources Officer permits payment for such Tax-Related Items in cash by an employee other than an executive officer of NCR ("Executive Officer") subject to Section 16 of the Securities Exchange Act of 1934, as amended (the "Act"), or (ii) you are an Executive Officer and you elect to make payment for such Tax-Related Items in cash or by instructing NCR and any brokerage firm determined acceptable to NCR for such purpose to sell on your behalf the whole number of shares of Common Stock underlying the Stock Units that NCR determines to be appropriate to generate the cash proceeds sufficient to satisfy such Tax-Related Items. Any withholding of shares or sale or cash payment pursuant to this Section shall occur on the date that the requirement to withhold or pay taxes arises, or as soon as practicable thereafter if permitted by NCR. To the extent that you are an Executive Officer who instructs a brokerage firm sale permitted by this Section, you will be responsible for, and will indemnify and hold NCR and the Employer harmless with respect to, any and all losses, costs, damages or other expenses (including brokerage fees and other similar costs related directly to any such sale of Common Stock) arising in connection with, or related to, any such sale. You acknowledge that if, at the time any shares of Common Stock are sold to satisfy requirements relating to Tax-Related Items pursuant to this Section, you are an Executive Officer as defined above, any such sale of Common Stock must be made pursuant to an exemption from the requirements under Section 16(b) of the Act.

(a) You acknowledge that, regardless of any action taken by NCR or the Employer, the ultimate liability for all Tax-Related Items is and remains your responsibility and may exceed the amount actually withheld by NCR or the Employer. Depending on the withholding method, NCR may withhold or account for Tax-Related Items by considering such statutory withholding rates as may be determined applicable in the discretion of the Chief Human Resources Officer that will not result in an adverse accounting consequence or cost.

13. Compensation Recovery Policy. By accepting the Stock Units, you acknowledge and agree that to the extent that the Stock Units constitute "Covered Incentive Compensation" subject to the terms of NCR's Compensation Recovery Policy, as the same may be in effect from time to time (the "Compensation Recovery Policy"), then, notwithstanding any other provision of this Agreement to the contrary, you may be required to forfeit any or all of the Stock Units and repay any or all amounts previously paid pursuant to the Stock Units pursuant to the terms of the Compensation Recovery Policy. Further, you acknowledge and agree that NCR may, to the extent permitted or required by law or regulation (including the Dodd-Frank Act), enforce any repayment obligation pursuant to the Compensation Recovery Policy by reducing any amounts that may be owing from time to time by NCR or its Subsidiaries or Affiliates to you, whether as wages, severance, vacation pay or in the form of any other benefit or for any other reason, or enforce any other recoupment as prescribed by applicable law or regulation.

14. Beneficiaries. Subject to the terms of this Agreement, you may, to the extent permitted by the Chief Human Resources Officer (or his or her delegate) and such procedures of the TPA as may be in effect from time to time, designate one or more beneficiaries to receive all or part of any shares of NCR Common Stock underlying the Stock Units to be distributed in case of your death, and you may change or revoke such designation at any time in accordance with such procedures. In the event of your death, any such shares distributable hereunder that are subject to such a designation that has not been superseded, modified or revoked in accordance with such procedures will be distributed to such beneficiary or beneficiaries in accordance with this Agreement. Any other shares of NCR Common Stock underlying the Stock Units not designated by you will be distributable to your estate. If there is any question as to the legal right of any beneficiary to receive a distribution hereunder, the shares of NCR Common Stock underlying the Stock Units in question may be transferred to your estate, in which event NCR will have no further liability to anyone with respect to such shares. For information about TPA beneficiary designation procedures, or to revoke or change a beneficiary designation, please call Fidelity at 1-800-544-9354 (U.S. grantees) or 1-800-544-0275 (non-U.S. grantees), or at such other number as provided by NCR or Fidelity. If you are a non-U.S. grantee, please visit the following link for access to the toll-free number: <https://www.fidelity.com/customer-service/phone-numbers/overview>.

15. Data Privacy. By entering into this Agreement, you understand and acknowledge that your personal data may be collected, used or transferred, in electronic or other form, for purposes relevant to the purposes described in this Agreement and any other Award materials (“Data”) by and among, as applicable the Employer, NCR, its Subsidiaries and Affiliates for the exclusive purpose of implementing, administering and managing your participation in the Plan.

You understand and acknowledge that the Company and the Employer may hold certain personal information about you, including, but not limited to, your name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in NCR, details of all Stock Units or other entitlement to shares of stock awarded, cancelled, exercised, vested, unvested or outstanding in your favor, for the purpose of implementing, administering and managing the Plan.

You understand that Data will be transferred to the TPA or such other stock plan service provider as may be selected by NCR in the future, which is assisting NCR with the implementation, administration and management of the Plan. You understand that the recipients of the Data may be located in the United States or elsewhere, and that the recipients’ country (for example, the United States) may have different data privacy laws and protections than your country. It is NCR’s policy to support such transfers of your Data with appropriate safeguards. You understand that if you reside outside the United States you may request a list with the names and addresses of any potential recipients of the Data by contacting your local human resources representative. You understand that your Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan.

You understand that if you reside outside the United States you may have certain rights with respect to your data. NCR. For example, you may have the right at any time, to confirm from the Company whether the Company process your Data. You may also have the right to access and review your Data, request additional information about the storage and processing of Data, require any necessary amendments to Data to correct its accuracy or to complete the Data. In certain instances, you may also the right to have your Data erased, to restrict its processing, or to require its delivery to a third party. In some jurisdictions, the Company may be required to obtain your consent to process your Data. To the extent that the Company is required by law to obtain such consents, you agree that NCR, the TPA and any other possible recipients which may assist NCR (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purpose of implementing, administering and managing your participation in the Plan.

You may refuse to consent or withdraw the consents herein, in any case without cost, by contacting in writing your local human resources representative. Further, you understand that you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke your consent, your employment status or service and career with the Employer will not be adversely affected; the only adverse consequence of refusing or withdrawing your consent is that NCR would not be able to grant you Stock Units or other equity awards or administer or maintain such awards. Therefore, you understand that refusing or withdrawing your consent may affect your ability to participate in the Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you understand that you may contact your local human resources representative.

16. Non-Disclosure of Confidential Information, Including Trade Secrets. You acknowledge and agree that your employment with NCR created a relationship of confidence and trust between you and NCR with respect to the Company’s confidential information; you further acknowledge and agree that your particular position and its job duties exposed you to a broad variety of sensitive, confidential and non-public information of competitive value. You warrant and agree that (a) you will keep in confidence and trust all NCR confidential information known to you; (b) you have not transferred, used or disclosed any NCR confidential information (or assisted others in transferring, using or disclosing NCR confidential information) other than as necessary in the ordinary course of performing your duties as an NCR employee, and (c) you will not transfer, use or disclose NCR confidential information (or assist others with the transfer, use or disclosure of NCR confidential information) without the prior written consent of NCR, which may be granted or withheld in NCR’s sole discretion, for any reason or no reason. [US EMPLOYEES ONLY:] Notwithstanding the foregoing, this Agreement does not prohibit you from reporting possible violations of the law to government agencies including, without limitation, the DOJ, SEC, Equal Employment Opportunity Commission, or any agency Inspector General, but you agree and understand that you are waiving, and hereby do waive, your right to monetary compensation and any other relief if any such agency elects to pursue any such claim, whether on your behalf or otherwise, to the fullest extent permitted by law. Nothing in this Agreement is intended to, or shall prevent, impede, or interfere with your providing truthful testimony and truthful information in the course of an investigation or proceeding authorized or required by law and/or conducted by an Agency of the United States. Should you receive a disclosure demand from any government agency, you may reach out to NCR’s General Counsel or its law department for assistance, but you are not required to do so. Further, nothing in this Agreement is intended to or shall preclude you from providing truthful testimony or providing truthful information in response to a valid subpoena, court order or discovery request in any public proceeding, provided, to the extent permitted by law, you have provided to NCR as much advance notice as practicable of any such compelled disclosure, so as to enable NCR to seek to limit, condition or quash such disclosure.

1. **Compensation.** Your participation in the Plan is voluntary. The value of this Award is an extraordinary item of income, is not part of your normal or expected compensation for purposes of calculating any severance, redundancy, end of service payments, bonus, long-service awards, pension, retirement or other benefits or similar payments. The Plan is discretionary in nature. This Award is a one-time benefit that does not create any contractual or other right to receive additional awards or other benefits in the future. Future grants, if any, are at the sole grace and discretion of NCR, including but not limited to, the timing of the grant, amount and vesting provisions.

2. **No Advice Regarding Grant.** NCR is not providing any tax, legal or financial advice, nor is NCR making any recommendations regarding your participation in the Plan, or your acquisition or sale of the underlying shares of Common Stock. You are hereby advised to consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.

3. **Electronic Agreement; Governing Documents.** This Agreement, including without limitation Section 10, is executed electronically, and it is immediately binding upon your electronic acceptance. If you reside in a country that requires original ink signatures on paper, you hereby waive any such requirement to the extent permitted by law. NCR may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by NCR or the TPA. Information summarized or otherwise shown on the website of the TPA for NCR, which may be updated from time to time, shall be subject to the determinations of the Committee, the Plan and this Agreement.

4. **Severability.** The provisions of this Agreement are severable. If any provision of this Agreement is held to be unenforceable or invalid by a court or other tribunal of competent jurisdiction, it shall be severed and shall not affect any other part of this Agreement, which will be enforced as permitted by law. Provided, however, that to the extent such invalid provision can be rendered valid by modification, you agree that the court or tribunal shall so modify such provision so as to render it valid and enforceable to the fullest extent permitted by law.

5. **Amendment.** The terms of this Award of Stock Units as evidenced by this Agreement may be amended by the NCR Board of Directors or the Committee or any delegate thereof, but no such amendment shall be made which would materially impair your rights hereunder without your consent, except such an amendment made to comply with applicable law, including Section 409A of the Code, stock exchange rules or accounting rules.

6. **Waiver.** You acknowledge that a waiver by NCR of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach of this Agreement.

7. **Provisions Applicable to Participants in Jurisdictions outside the United States.** Notwithstanding any provision of this Agreement or the Plan to the contrary, if you are or become subject to the laws of a jurisdiction outside the United States, your Award shall be subject to any special terms and conditions set forth in any appendix to this Agreement for your country (the "Appendix"). In addition, your Award shall be subject to the laws and requirements of such jurisdiction outside the United States and the terms and conditions of this Agreement are deemed modified to the extent NCR determines necessary or advisable for legal or administrative reasons. Moreover, if you relocate to one of the countries included in the Appendix, the special terms and conditions for such country will apply to you, to the extent NCR determines that the application of such terms is necessary or advisable for legal or administrative reasons. Finally, the Committee may take any other action, including amending this Agreement, before or after an Award is made, that it deems necessary or advisable to obtain approval or comply with any necessary local governmental regulatory requirements or exemptions to the extent such amendment is permissible under the Plan with or without your prior written consent.

8. **Conflicting Terms.** In the event of a conflict between the terms and conditions of this Agreement and the terms and conditions of the Plan, the terms and conditions of the Plan shall prevail, except that with respect to the law governing this Agreement and any claims arising under or relating to it, Section 11 of this Agreement shall prevail.

9. **Code of Conduct Certification; Compliance with Insider Trading Laws and NCR Insider Trading Policy.** Notwithstanding any other provision of this Agreement, this Award of Stock Units and your right to receive payment of any Stock Units that become Vested hereunder are subject to and expressly conditioned upon your timely annual certification to NCR's Code of Conduct, and in the event of your failure to timely provide any such certification as may be required prior to the date that Stock Units would otherwise be paid under this Agreement, those Stock Units shall be forfeited; provided that no such forfeiture shall occur unless you are provided written notice (which notice may be provided by email) of the impending forfeiture, and you do not provide your certification to NCR's Code of Conduct within thirty days following such notice.

With respect to any shares of Common Stock distributed to you hereunder, you understand and agree that if at any time following such distribution you are in possession or have knowledge of material non-public information relating to NCR, in accordance with law you may not trade in NCR securities until the information becomes public, except as may be the case pursuant to a 10b5-1 trading plan properly executed by you and NCR when you were not in possession or did not have knowledge of material non-public information relating to NCR (to the extent such a trading plan is required or permitted by NCR’s Insider Trading Policy). You should consult an attorney if you have questions concerning such matters.

10. **No Employment Modification.** The Plan and this Agreement do not constitute a contract of employment or impose on you, the Company or your Employer any obligation to retain you as an employee, to change the status of your employment, or to change the Company’s policies or those of its Subsidiaries regarding termination of employment. For U.S. employees, employment with the Company and the Employer is at will, which means that you or the Company or your Employer may terminate the employment relationship at any time, with or without cause.

11. **Execution and Validity of Agreement.** This Agreement shall be valid, binding and effective upon the Company on the Grant Date. However, the grant contained in this Agreement shall be forfeited by you and this Agreement shall have no force and effect if it is not duly executed by electronic acceptance on the website of the TPA at www.netbenefits.fidelity.com (on which this Agreement is posted) in the form prescribed by the Company within ninety (90) days following the Grant Date (or by such other date as may be required by the Chief Human Resources Officer).

SCHEDULE A
NCR 2019 COMPETING ORGANIZATION LIST

For purposes of non-competition provisions in NCR plans or agreements that refer to “Competing Organizations,” the companies identified in the list below, including the subsidiaries and affiliates of each, constitute the current list of “Competing Organizations.” This list shall remain in effect until an updated list is approved/posted.

ACI Worldwide	GK Software	Open Table
Acuative	Global Payments	Oracle
Agilysys	HP Inc.	PAR Technology
Altametrics	Infor	PCMS
Appetize	Jack Henry & Assoc.	Q2
Aptos	Kony Inc.	Revel Systems
Diebold Nixdorf	Korala Associates Ltd.	Square
Dimension Data/NTT	Lavu Inc.	Tillster
First Data Corporation (Clover)	LOC Software	Toast, Inc.
FIS	Manhattan Associates	Toshiba TEC
Fiserv	Nautilus Hyosung	Unisys
Fujitsu	NSC Global	Upserve (Breadcrumb)
Getronics	Office Depot (Compucom)	Zebra Technologies Corp
Gilbarco Veeder-Root		

Please note that non-competition provisions in NCR plans or agreements are not limited to the identified Competing Organizations, that other companies may qualify as competitors under such provisions, and that NCR employees may be restricted from accepting employment or other work from such other companies, subject to the terms of the relevant NCR plan or agreement.

APPENDIX A
PROVISIONS FOR NON-U.S. PARTICIPANTS

2019 Performance-Based Restricted Stock Unit Award Agreement
NCR Corporation 2017 Stock Incentive Plan

The following terms and conditions apply to Participants who reside outside the United States or who are otherwise subject to the laws of a country other than the United States. In general, the terms and conditions in this Appendix A supplement the provisions of the Agreement, unless otherwise indicated herein.

1. **Nature of Grant.** In accepting the grant, you acknowledge, understand and agree that:

(a) the Stock Units and the shares of Common Stock subject to the Stock Units are not intended to replace any pension rights or compensation;

(b) the Stock Units and the shares of Common Stock subject to the Stock Units and the income and value of same, are not part of normal or expected compensation for any purpose;

(c) the future value of the underlying shares of Common Stock is unknown, indeterminable and cannot be predicted with certainty;

(d) no claim or entitlement to compensation or damages shall arise from forfeiture of the Stock Units resulting from your Termination of Employment (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any), and in consideration of the grant of Stock Units to which you are otherwise not entitled, you irrevocably agree never to institute any claim against NCR, any of its Subsidiaries or Affiliates or the Employer, waive your ability, if any, to bring any such claim, and release NCR, its Subsidiaries and Affiliates, and the Employer from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, you shall be deemed irrevocably to have agreed not to pursue such claim and agree to execute any and all documents necessary to request dismissal or withdrawal of such claim;

(e) for purposes of the Stock Units, your employment or service relationship will be considered terminated as of the date you are no longer actively providing services to NCR or the Employer (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any) and unless otherwise expressly provided in this Agreement or determined by NCR, your right to vest in the Stock Units under the Plan, if any, will terminate as of such date and will not be extended by any notice period (for example, your period of service would not include any contractual notice period or any period of “garden leave” or similar period mandated under employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any); the Committee shall have the exclusive discretion to determine when you are no longer actively providing services for purposes of your Award (including whether you may still be considered to be providing services while on a leave of absence);

(f) unless otherwise provided in the Plan or by the Company in its discretion, the Award and the benefits evidenced by this Agreement do not create any entitlement to have the Award or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the shares of the Company; and

(g) neither NCR, the Employer nor any Subsidiary or Affiliate shall be liable for any foreign exchange rate fluctuation between your local currency and the United States Dollar that may affect the value of the Stock Units or of any amounts due to you pursuant to the settlement of the Stock Units or the subsequent sale of any shares of Common Stock acquired upon settlement.

2. **Language.** If you have received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control. You acknowledge that it is your express wish that this Agreement, as well as all documents, notices, and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English. By accepting the Stock Units, you confirm having read and understood the Plan and this Agreement, including all terms and conditions included therein, which were provided in the English language. You accept the terms of those documents accordingly.

3. **Conditions for Issuance.** Notwithstanding any other provision of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the shares of Common Stock, the Company shall not be required to deliver any shares issuable upon settlement of the Stock Units prior to the completion of any registration or qualification of the shares under any local, state, federal or foreign securities or exchange control law or under rulings or regulations of the U.S. Securities and Exchange Commission (“SEC”) or of any other governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. You understand that the Company is under no obligation to register or qualify the shares with the SEC or any state or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the shares. The grant of Stock Units is not intended to be a public offering of securities in your country, and the Company has not submitted any registration statement,

prospectus or other filings with the local securities authorities in connection with this grant, and the grant of the Stock Units is not subject to the supervision of the local securities authorities.

1. **Repatriation and Other Non-U.S. Compliance Requirements.** As a condition of the grant of your Stock Units, you agree to repatriate all payments attributable to the shares of NCR Common Stock and/or cash acquired under the Plan (including, but not limited to, dividends and dividend equivalents) in accordance with local foreign exchange rules and regulations in your country of residence (and your country of employment, if different). In addition, you also agree to take any and all actions, and consent to any and all actions taken by the Company, its Subsidiaries and Affiliates, as may be required to allow the Company, its Subsidiaries and Affiliates to comply with local laws, rules and regulations in your country of residence (and your country of employment, if different). Finally, you agree to take any and all actions as may be required to comply with your personal legal and tax obligations under local tax, exchange control, insider trading and other laws, rules and regulations in your country of residence (and your country of employment, if different) with respect to the Stock Units and the NCR Common Stock issued with respect thereto.

2. **Insider Trading Restrictions/Market Abuse Laws.** You acknowledge that, depending on your country of residence, you may be subject to insider trading restrictions and/or market abuse laws, which may affect your ability to acquire or sell shares of Common Stock or rights to such shares (e.g., Stock Units) under the Plan during such times as you are considered to have “inside information” regarding the Company (as defined by the laws in your country). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable insider trading policy of the Company. You acknowledge that it is your responsibility to comply with any applicable restrictions, and you are advised to speak to your personal advisor on this matter.

APPENDIX B

COUNTRY-SPECIFIC PROVISIONS FOR NON-U.S. PARTICIPANTS

2019 Performance-Based Restricted Stock Unit Award Agreement NCR Corporation 2017 Stock Incentive Plan

This Appendix B includes special terms and conditions applicable to you if you reside in the countries below. These terms and conditions are in addition to or, if so indicated, in place of, those set forth in the Agreement. Capitalized terms used but not defined in this Appendix have the meanings assigned to them in the Plan, or the Agreement, as applicable.

This Appendix B also includes information relating to exchange control and other issues of which you should be aware with respect to your participation in the Plan. The information is based on the exchange control, securities and other laws in effect in the respective countries as of the Grant Date. Such laws are often complex and change frequently. As a result, NCR strongly recommends that you do not rely on the information herein as the only source of information relating to the consequences of participation in the Plan because the information may be out of date at the time the Stock Units are Vested or shares of Common Stock acquired under the Plan are sold.

In addition, the information is general in nature and may not apply to your particular situation and NCR is not in a position to assure you of any particular result. Accordingly, you are advised to seek appropriate professional advice as to how the relevant laws in your country may apply to your situation. Finally, if you are a citizen or resident of a country other than the one in which you are currently working, are considered a citizen or resident of another country for local law purposes, or transfer employment or residency to another country after the Grant Date, the notifications contained herein may not be applicable to you. In addition, NCR shall, in its discretion, determine to what extent the terms and conditions contained herein shall be applicable to you.

CHINA

Settlement of Stock Units. This provision supplements Section 3 of the Agreement:

To facilitate compliance with exchange control laws and regulations in the People’s Republic of China (“China”), you agree to the sale of any shares of Common Stock to be issued upon vesting and settlement of the Stock Units. The sale will occur (i) immediately upon vesting and settlement of the Stock Units, (ii) following your Termination of Employment, or (iii) within any other time frame as the Company determines to be necessary to facilitate compliance with local regulatory requirements. You further agree that the Company is authorized to instruct its designated broker to assist with the mandatory sale of such shares (on your behalf pursuant to this authorization) and you expressly authorize the Company’s designated broker to complete the sale of such shares. You agree to sign any agreements, forms and/or consents that may be reasonably requested by NCR (or the broker) to effectuate the sale of the shares of Common Stock and shall otherwise cooperate with NCR with respect to such matters. You acknowledge that neither NCR nor the broker is under any obligation to arrange for the sale of the shares of Common Stock at any particular price and that broker’s fees and similar expenses may be incurred in any such sale. In any event, when the shares of Common Stock are sold, the proceeds of the sale of such shares, less any Tax-Related Items and the broker’s fees, commissions or similar expenses, will be remitted to you in accordance with applicable exchange control laws and regulations.

Exchange Control Restrictions. You understand and agree that, if you are subject to exchange control laws in China, you will be required to immediately repatriate to China the proceeds from the sale of any shares of Common Stock acquired under the Plan. You further understand that such repatriation of the proceeds may need to be effected through a special exchange control account established by NCR or a Subsidiary or Affiliate, and you hereby consent and agree that the proceeds from the sale of shares of Common Stock acquired under the Plan may be transferred to such account by NCR (or the broker) on your behalf prior to being delivered to you. You also agree to sign any agreements, forms and/or consents that may be reasonably requested by NCR (or the broker) to effectuate such transfers.

The proceeds may be paid to you in U.S. dollars or local currency at NCR's discretion. If the proceeds are paid to you in U.S. dollars, you understand that you will be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the proceeds are paid to you in local currency, (i) you acknowledge that NCR is under no obligation to secure any particular exchange conversion rate and that NCR may face delays in converting the proceeds to local currency due to exchange control restrictions, and (ii) you agree to bear any currency fluctuation risk between the time the shares of Common Stock are sold and the time the proceeds are converted to local currency and distributed to you.

Finally, you agree to comply with any other requirements that may be imposed by NCR in the future in order to facilitate compliance with exchange control requirements in China.

ISRAEL

Trust Arrangement. You understand and agree that this Award is offered subject to and in accordance with the terms of the Plan and its Israeli Appendix. Upon vesting, the shares of Common Stock shall be controlled by the Company's trustee appointed by the Company or its Subsidiary or Affiliate in Israel (the "Trustee") for your benefit for at least such period of time as required by Section 102 or any shorter period determined under the Israeli Income Tax Ordinance (New Version), 5721-1961 as now in effect or as hereafter amended (the "Ordinance") (with respect to the "capital gain route") or by the Israeli Tax Authority (the "Lock-Up Period"). You shall be able to request the sale of the shares or the release of the shares from the Trustee, subject to the terms of the Plan, this Agreement and any applicable Israeli tax law. Without derogating from the aforementioned, if the shares are released by the Trustee during the Lock-Up Period, the sanctions under Section 102 of the Ordinance shall apply to and be borne by you. The shares shall not be sold or released from the control of the Trustee unless the Company, the Subsidiary or Affiliate and the Trustee are satisfied that the full amount of Tax-Related Items due have been paid or will be paid in relation thereto. Notwithstanding any provision of this Agreement or the Plan to the contrary except the provisions in Section 4 of this Agreement relating to a Good Reason Termination (as defined in Section 4) or your Retirement (in each case, to the extent specifically applicable to you), in the event of your resignation from service with NCR or the Employer due to any reason, including worsening of employment conditions, or any other reason relating to conditions of employment, all unvested Stock Units will automatically terminate and be forfeited and no shares or cash will be issued or paid to you (as the case may be).

Robert P. Fishman

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RETIREMENT AGREEMENT

This Retirement Agreement (“Agreement”), dated as of March 11, 2019, is made and entered into by you, Robert P. Fishman, on behalf of yourself, your heirs, spouse, executors, administrators, successors and assigns (collectively referred to as “you”) and NCR Corporation, on behalf of itself, its divisions, subsidiaries, parents, affiliates, related companies, predecessors, successors, assigns, and their respective officers, directors, employees, insurers, stockholders, and agents (collectively referred to as “NCR” or the “Company”).

In consideration of the mutual covenants in this Agreement, including your continued employment by the Company and your corresponding services to the Company, and the Separation Pay specified below, the parties hereby agree as follows. This Agreement was initially provided to you on approximately December 8, 2018 and subsequently revised. Under law, you may consider the terms of this Agreement for a period of 21 calendar days following its provision to you on approximately March 11, 2019; if you do not indicate your acceptance of its terms by 5:00 p.m. Eastern Standard Time on the 21st day by signing it and returning it to Debra Bronder, at Debra.Bronder@ncr.com, NCR’s offer to enter this Agreement shall immediately terminate and cease to be of effect, without further notice or action on NCR’s part, and the Agreement shall then be incapable of being accepted. If you accept the terms of the Agreement, under law you have 7 days to revoke your acceptance, as set forth below.

1. Employment Period.
 - a. You and NCR agree that you will continue to remain an employee of the Company from the date of this Agreement through and including February 28, 2019 (the “Employment Period”), except that (i) NCR may extend the Employment Period in its sole discretion, in writing and on such terms as it may elect, (ii) you may earlier terminate your employment for any reason before the end of the Employment Period, and (iii) NCR may earlier terminate your employment at any time for “Cause” (as defined in the NCR Executive Severance Plan) or if you violate the NCR Code of Conduct or if you breach the provisions of this Agreement. Your last day of employment pursuant to this Section 1(a) is referred to herein as your “Separation Date” and the Employment Period shall terminate as of the Separation Date.
 - b. If your employment terminates pursuant to Section 1(a)(ii), NCR shall have no further obligations to you hereunder or otherwise in connection with or following such termination, other than the obligation to pay (A) the Separation Pay and benefits described in Section 3 below, (B) accrued base salary through the Separation Date, and (C) to the extent required by NCR policy, benefits plans and/or programs (collectively, “Programs”), any vested benefits payable pursuant to the terms of the Programs (“Vested Benefits”).
 - c. If your employment terminates pursuant to Section 1(a)(iii), you will only be eligible to receive (A) accrued base salary through the Separation Date, and (B) the Vested Benefits to the extent required by the terms of the Programs. Without limitation, you will not receive the Separation Pay and benefits described in Section 3 below, and all NCR Economic Profit Plan benefits and payments and all unvested equity awards will be forfeited and deemed cancelled effective on your termination date, and NCR shall have the remedies set forth in Section 9 hereof. In addition, NCR shall retain all rights hereunder and under the Programs and applicable law to repayment of all amounts previously paid or due to be paid to you, and NCR shall have no further obligations to you hereunder or otherwise in connection with or following such termination. Without limitation, you will not be deemed to have terminated employment due to retirement for purposes of the Programs.
 - d. In its sole discretion, NCR may elect to place you on “garden leave” at any time during the Employment Period, in which case you shall not be required to provide any additional services while such garden leave remains in effect during the Employment Period, and you will not be expected to come to NCR’s premises or functions absent a specific request during such time. During the Employment Period, except at the request of the Chief Executive Officer, Chief Operating Officer or the Chief Financial Officer, you will not act or communicate on behalf of or bind NCR, whether externally or internally.
 - e. During the Employment Period (i) you shall have the title of Senior Advisor, (ii) you shall assist with the transition of your prior duties to the Chief Financial Officer as directed by NCR, (iii) you shall perform such other services and duties relative to such projects as NCR shall determine, (iv) except as otherwise provided in this Agreement, you shall devote substantially all of your attention and time during normal business hours to the Company, and (v) you shall not provide services, directly or indirectly, in any capacity (including, without limitation, as an employee, consultant, contractor, owner, or member of a board of directors) to any person, firm, association, partnership, corporation, or entity other than the Company, absent permission from NCR’s Chief Executive Officer. Through at least January 15, 2019, the parties intend that you will provide services to NCR hereunder at a level of at least 50% of the average level of bona fide services that you performed for NCR over the thirty-six months preceding the date of this Agreement.
 - f. During the Employment Period (i) the Company shall continue to pay you your base salary at the rate of \$625,000 per annum, subject to applicable tax and other payroll deductions and withholdings, and (ii) except as otherwise provided herein you shall be eligible to participate in the Programs to the extent provided under the Program terms, except that (A) unless otherwise determined by the NCR Board of Directors or appropriate Committee thereof, as you no longer serve as Chief Financial Officer you no longer participate in the Amended and Restated NCR Change in Control Severance Plan, (B) you will participate in the

Executive Severance Plan and the Economic Profit Plan only to the extent expressly provided herein, and you will receive no rights, monies or values under either of these plans other than what is except expressly provided herein, (C) you will cease to participate in the executive financial planning program on your Separation Date, and NCR agrees to pay you a sum in the gross amount of \$12,000 (before applicable tax and other payroll deductions and withholdings) together with your Separation Pay in accordance with Section 3(a), and (D) you will continue to participate in the executive medical examination program through December 31, 2019 subject to the current program terms.

- g. You agree that, except as specifically provided in Section 3 hereof with respect to the terms of the Executive Severance Plan, you shall not be entitled to (i) any severance payments or other severance benefits under any NCR Program, agreement or arrangement, (ii) any cash bonuses or other short-term incentive compensation, (iii) any new equity awards or other new long-term incentive awards, and (iv) any increased or additional benefits or payments under any NCR Program, agreement or arrangement as a consequence of a “change in control” of NCR (as defined in any of the foregoing) occurring during or after the Employment Period.

2. Separation Date and Last Day Worked. Your employment with the Company shall automatically terminate at the earliest of (i) the Separation Date, (ii) the date that is one business day prior to your commencement of services, directly or indirectly, in any capacity (including, without limitation, as an employee, consultant, contractor, owner, or member of a board of directors) to any person, firm, association, partnership, corporation, or entity other than the Company, which commencement shall constitute a termination under Section 1(a) (ii) effective as of such date. Except as otherwise provided herein, your departure will constitute a termination due to retirement for purposes of the Programs.

3. Separation Pay. In exchange for your promises as set forth in this Agreement, and your executing (and not revoking) this Agreement and the release contained in it, and subject to your compliance with the restrictive covenants, such as non-competition, non-recruiting, non-solicitation and confidentiality (as applicable), set forth below, except in the event of a termination described in Section 1(a)(iii) hereof:

- a. NCR agrees to pay you a sum in the gross amount of \$2,312,500 (before applicable tax and other payroll deductions and withholdings) (“Separation Pay”) consisting of (I) a payment of \$1,312,500, which pursuant to the Executive Severance Plan is equal to one year’s base salary plus your 2018 target bonus, and (II) additional discretionary severance of \$1,000,000. (In the event of any conflict, ambiguity or dispute, the numerical amount of the Separation Pay set forth in this Section shall control over any particular length of time or other measure). Provided that you satisfy all requirements of Section 3 hereof, your Separation Pay will be paid to you in a lump sum within thirty days after your Separation Date (and in all events no earlier than March 1, 2019 and no later than March 15 of the year following the year in which your Separation Date occurs); and
- b. You are also entitled to certain COBRA benefits and outplacement services specified under the Executive Severance Plan. Should you wish to use outplacement services, you must contact Dipa Homer at dipa.homer@ncr.com and initiate such services within ninety days of your Separation Date (and in no event later than March 15 of the year following the year in which your Separation Date occurs).

4. Equity Awards. Except as otherwise provided in this Section 4 or in any other provision of this Agreement, vesting and payout of your equity awards shall be in accordance with the terms of the applicable NCR stock incentive plans (each a “Stock Plan”) and each of the equity award agreements into which you have entered (each an “Award Agreement”), taking into account for each award your service through the Separation Date, and the parties agree that for purposes of the Stock Plan and your Award Agreements you will not be deemed to have terminated employment due to retirement or other voluntary resignation: (i) any unvested performance-based restricted stock units granted to you in 2016 will be prorated (taking into account service through the Separation Date) based on certified performance achieved and settled on August 24, 2019 or as soon as reasonably practicable thereafter, and any remaining unvested award amount will be forfeited, (ii) any unvested Vision 2020 awards will be subject to Prorated Vesting (taking into account service through the Separation Date) and settled on February 24, 2020 or as soon as reasonably practicable thereafter (as such terms are defined in the applicable Award Agreements), and any remaining unvested award amounts will be forfeited, and (iii) any unvested 2018 performance-vesting restricted stock unit awards will vest on your Separation Date and be settled as soon as reasonably practicable thereafter. Payouts of performance-based equity awards are subject to and conditioned upon the Compensation and Human Resource Committee’s certification that all applicable performance goals have been satisfied. Upon request the Human Resources Department will make available to you a non-binding estimate of equity values under your Award Agreements, using an arbitrarily selected stock price. Notwithstanding the foregoing (A) if at any time prior to February 28, 2019 you resign from your NCR employment, or if your NCR employment is terminated by NCR before that date, vesting, if any, will occur only to the extent provided under the terms of the various Award Agreements and the applicable Stock Plan; you understand that in such instance you will receive less value than would be the case if you remain employed through such date, and (B) if your employment terminates pursuant to Section 1(a) (iii) hereof, all of your outstanding and unvested equity awards will be forfeited and deemed cancelled on your Separation Date.

5. Economic Profit Plan. In exchange for your promises as set forth in this Agreement, provided you have returned an executed original Agreement and a subsequent release, as set forth in Section 3, and have not revoked either as set forth below, and subject to approval by the Compensation and Human Resource Committee of the NCR Board of Directors (C&HRC) of the termination of the NCR Corporation Economic Profit Plan (EPP) effective February 27, 2019, your entire EPP Bonus Bank (as that term is defined in the EPP) of \$653,679 (as of the Separation Date) will be distributed to you in the estimated amounts and on the estimated dates shown below. You will not receive any Bonus Credit under the EPP with respect to performance in 2018 or any subsequent year. The Human Resources Department has provided the

following non-binding estimates of the amounts that will be distributed to you pursuant to the terms of the EPP and the estimated distribution dates. All distributions are strictly subject to satisfaction of the EPP Cash Flow Test as described in the EPP.

Estimated 2019 EPP Lump Sum Payout: \$215,714
(as soon as reasonably
practicable after September 1, 2019)

Estimated 2020 EPP Lump Sum Payout: \$437,965
(as soon as reasonably
practicable after February 28, 2020)
Estimated Total EPP payouts: \$653,679

Pursuant to Internal Revenue Code Section 409A, final EPP payments will be distributed by the Company to you in the amounts and on the dates set forth above or as soon as reasonably practicable thereafter, in an effort to ensure compliance with the EPP terms and that code section by NCR and/or you. Notwithstanding the foregoing, if your employment terminates pursuant to Section 1(a)(iii) hereof, your entire EPP Bonus Bank and all EPP benefit payments will be forfeited and deemed cancelled on your Separation Date.

6. Cancellation of Payments and Benefits. If (a) you violate any of the terms of this Agreement, or (b) you violate the NCR Code of Conduct before the expiration of the period to revoke your acceptance of this Agreement, or (c) if NCR terminates your employment for “Cause” as defined in the Executive Severance Plan, then in each case, in addition to all other remedies NCR may have at law or in equity, you agree to promptly upon notice reimburse NCR the Separation Pay in the full amount in which it has been paid, including the amount of any taxes or other items withheld with respect to any of the foregoing amounts to the extent NCR cannot otherwise recover such amounts. You acknowledge that a violation or termination specified in this Section 6 shall cause you to forfeit any unpaid Separation Pay, EPP payments, equity awards and other benefits under this Agreement. NCR’s remedies for a violation or termination specified in this Section 6 shall also include but shall not be limited to (i) all remedies set forth in Section 9 hereof, (ii) all remedies set forth in the Award Agreements and the Programs, and (iii) all other remedies available at law or equity.

7. Releases.

- a. In exchange for the consideration provided to you in this Agreement, you hereby waive and release and forever discharge NCR and its respective past and present directors, managers, officers, shareholders, partners, agents, employees, attorneys, servants, parent corporations, subsidiaries, divisions, limited partnerships, affiliated corporations, joint ventures, acquired corporations, predecessors, successors and assigns, and each of them, separately and collectively (“Releasees”), from any and all existing claims, charges, complaints, liens, demands, causes of action, obligations, damages and liabilities, known or unknown, suspected or unsuspected, whether or not mature or ripe, that you ever had and/or now have against any Releasees including, but not limited to, claims and causes of action arising out of or in any way related to your employment with or separation from NCR, to any services performed for NCR, to any status, term or condition in such employment, to any compensation allegedly due you from NCR, or to any physical or mental harm or distress from such employment or non-employment, all to the extent allowed by applicable law. This includes, but is not limited to, claims based on express or implied contract or corporate policies, covenants of good faith and fair dealing, wrongful discharge, claims under any federal, state, and local laws, regulations and ordinances, including but not limited to Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the Employee Retirement Income Security Act (“ERISA”), the Sarbanes-Oxley Act of 2002, and the Dodd-Frank Wall Street Reform and Consumer Protection Act, including all amendments to the foregoing statutes, claims for violation of public policy, damages in tort, or claims under the common law; and claims for any other compensation or damages or attorneys’ fees. Except as expressly set forth herein, you understand that this Agreement includes a release of all known and unknown claims to the date of this Agreement and is specifically intended to be as broad as allowed by law.
- b. Nothing in this Agreement will prohibit you from filing a charge of discrimination with the Equal Employment Opportunity Commission (“EEOC”) or an equivalent state or local civil rights agency, from filing complaints or claims with other governmental agencies such as but not limited to the Securities and Exchange Commission (“SEC”), the National Labor Relations Board (“NLRB”) or Department of Justice (“DOJ”), from participating in a proceeding before any appropriate federal, state or local governmental agency, or from cooperating with any such agency in its investigation, but you agree and understand that you are waiving, and hereby do waive, any right to monetary compensation and any other relief if any such agency elects to pursue any such claim, whether on your behalf or otherwise. Further, nothing in this Agreement shall be construed to waive any right that is not subject to waiver by private agreement under federal, state or local employment or other laws.
- c. In addition, nothing in this agreement shall be construed to waive any right or claim: (i) to indemnification under applicable corporate law, the by-laws or certificate of incorporation of the Company, any agreement between you and the Company or any Affiliate or any Company benefit plan, (ii) to any applicable directors and officers insurance coverage in accordance with the terms thereof, or (iii) to enforce this Agreement, including the payments and benefits in Sections 1, 3 and 4.

8. Covenant Not to Sue. You agree that you will not commence, aid, or maintain any action or other legal proceeding based upon any claim arising out of or related to the matters released in this Agreement, except for the purpose of enforcing this Agreement.

9. Post-Employment Restrictive Covenants. During your employment with NCR, you had access to and knowledge of NCR Confidential Information, including trade secrets, not known to, or readily ascertainable by, the public or competitors. You acknowledge that unauthorized use (including use for your own benefit or to the benefit of others), transfer, or disclosure by you of NCR's Confidential Information can place NCR at a competitive disadvantage and cause damage, financial and otherwise, to its business. You further acknowledge that, because of the knowledge of and access to NCR's Confidential Information that you have acquired, you will be in a position to compete unfairly with NCR following the termination of your employment. Therefore, for the purpose of protecting NCR's business interests, including the Confidential Information, and the goodwill and stable, trained workforce of NCR, and in exchange for the benefits and consideration provided to you under this Agreement, you agree that, for a twelve-month period after your Separation Date (or if applicable law mandates a maximum time that is shorter than twelve months, then for a period of time equal to that shorter maximum period) (the "Restricted Period"), regardless of the reason for termination, you will not, without the prior written consent of the Chief Executive Officer of NCR, which may be withheld or granted in that individual's sole discretion:

- (1) Non-Recruit/Hire - Directly or indirectly (including by assisting third parties) recruit, hire or solicit, or attempt to recruit, hire or solicit any employee of NCR, induce or attempt to induce any employee of NCR to terminate his or her employment with NCR, or refer any such employee to anyone outside of NCR for the purpose of that NCR's employee's seeking, obtaining, or entering into an employment relationship or into an agreement to provide services, provided, however, the foregoing shall not be violated by your serving solely as a reference for an employee of the Company;
- (2) Non-Solicitation - Directly or indirectly (including by assisting third parties), solicit or attempt to solicit the business of any NCR customers or prospective customers with which you had Material Contact (as defined in below) during the last two years of your NCR employment for purposes of providing products or services that are competitive with those provided by NCR;
- (3) Non-Competition - Perform services, directly or indirectly, in any capacity (including, without limitation, as an employee, consultant, contractor, owner or member of a board of directors):
 - (i) Of the type conducted, authorized, offered, or provided by you on behalf of NCR during the two years prior to termination of your NCR employment;
 - (ii) In connection with NCR Competing Products/Services (as defined in below) that are similar to or serve substantially the same functions as those with respect to which you worked during the two years prior to termination of your NCR employment or about which you obtained trade secret or other Confidential Information;
 - (iii) Within the geographic territories (including countries and regions, if applicable, or types, classes or tiers of customers if no geographic territory was assigned to you) where or for which you performed, were assigned, or had responsibilities for such services during the two years preceding your termination; in view of your executive and global responsibilities at NCR, your territory is deemed to be the world; and
 - (iv) On behalf of a Competing Organization (as defined below).

A. Definitions.

- (1) "Material Contact" means the contact between you and each customer or prospective customer (a) with which you dealt on behalf of NCR, (b) whose dealings with NCR were coordinated or supervised by you, (c) about whom you obtained confidential information in the ordinary course of business as a result of your association with NCR, or (d) who receives products or services authorized by NCR, the sale or provision of which results, resulted or, with regard to prospective customers, would have resulted in compensation, commissions, or earnings for you within the two years prior to the date of your termination.
- (2) "Competing Products/Services" are any products, services, solutions, platforms, or activities that compete, directly or indirectly, in whole or in part, with one or more of the products, services or activities produced, provided or engaged in by NCR (including, without limitation, products, services or activities in the planning or development stage during your NCR employment) at the time of your separation from NCR and during the two years prior to termination of your NCR employment.
- (3) A "Competing Organization" is any person, business or organization that sells, researches, develops, manufactures, markets, consults with respect to, distributes and/or provides referrals with regard to one or more Competing Products/Services identified on the NCR "Competing Organization List" below.

(4) The NCR "Competing Organization List" included below identifies the companies that meet the definition of Competing Organization for purposes of this Agreement. Upon reasonable request by you, NCR's Chief Executive Officer may determine in his sole discretion that a particular organization may be deemed excluded from the below Competing Organization List for purposes of this Agreement. NCR's Competing Organization List for purposes of this Agreement is the following, including the subsidiaries and affiliates of each (but shall not include any such company or its subsidiaries for which you provide services solely as a result of an acquisition, merger, business combination or similar event with respect to a Competing Organization by your then current employer): ACI Worldwide, Acuative, Agilysys, Alkami, Allure Global Solutions, Altametrics, Appetize, Aptos, Arinc, AWA Technology Services, Bematech (TOTVS SA), Black Box, Burroughs, Inc., Bypass Mobile LLC, Cennox Group, CRS Solutions Intermediate (CRS), Crunchtime, Cummins Allison, Curvature, Cuscapi, Daisy, Datalogic SpA, Dell, Inc., Diebold Nixdorf, Digital Hands, Dimension Data, ECR Software Corporation, Elo, EOS IT Solutions, Epicor, eRestaurant Systems, Finastra, FIS, Fiserv, Fourth Ltd., Fujitsu, FuturePOS, GBM (Gulf Business Machines), Getronics, Gilbarco Veeder-Root, Hisense Intelligent Commercial System, Hitachi, Hitachi-Omron Terminal Solutions, HotSchedules Inc., HP Inc., i3 Verticals, LLC, IBM Corp., IER, Infor, Ipsoft, ITAB Group, Itasca Retail Information Systems, Jack Henry & Assoc., Kony Inc., Korala Associates Ltd., Lavu Inc., LOC Software, Logicalis, Magstar, Malauzai Software Inc, Manhattan Associates, Mi9 Retail, Micros, Mobile Travel Technologies, Nautilus Hyosung, NSC Group, OBS (Orange Business Services), Office Depot (Compucom), OKI Electric Industry Co. Ltd., Onepath, Oracle, Red Prairie Holding (JDA & Escalate), Retail Pro International, Revel Systems, RTC Quaternions Group, Salesforce, ShopKeep, SICOM, SITA, Sonda, Spartan Computer Services, Square, Symphony EYC, Tech Mahindra, TEKsystems, TIBCO Loyalty Lab, Tillster, Toast, Inc., Toshiba TEC, Unisys, Upserve (Breadcrumb), Vista Retail Support, Vsoft Corporation, Wand.

- B. Consideration. You acknowledge that you would not receive the benefits and consideration provided under this Agreement but for your consent to abide by, among other things, the Post-Employment Restricted Covenants, and your agreement to them is a material component of the consideration for this Agreement.
- C. Remedies. You agree that, if you breach any of the provisions of this Agreement: (i) NCR shall be entitled to all of its remedies at law or in equity, including money damages and injunctive relief; (ii) in the event of such breach prior to any vesting of Stock Units (as defined in the governing Award Agreement), in addition to NCR's other remedies, all such unvested equity awards under NCR Stock Plans will be immediately forfeited and deemed canceled, and you agree to pay immediately to NCR the fair market value of any such equity awards that vested during the 18 months prior to the date of your employment termination (or if applicable law mandates a maximum time that is shorter than 18 months, then for a period of time equal to the shorter maximum period), without regard to whether you continue to own the shares associated with any such equity award; and (iii) NCR shall also be entitled to an accounting and repayment from you of all profits, compensation, commissions, remuneration or benefits that you (and/or the applicable Competing Organization) directly or indirectly have realized or may realize as a result of or in connection with any such breach.
- D. Subsequent Employment. You agree that, while employed by NCR and for one year thereafter, you will communicate the contents of this Agreement to any person, firm, association, partnership, corporation or other entity which you intend to become employed by, contract for, associated with or represent, prior to accepting and engaging in such employment, contract, association and/or representation.
- E. Tolling. You agree that the Restricted Period shall be tolled and suspended during and for the pendency of any violation of its terms and for the pendency of any legal proceedings to enforce any of the covenants set forth in this Section and that all time that is part of or subject to such tolling and suspension shall not be counted toward the 12-month duration of the Restricted Period.
- F. Severability. Each clause of this Section constitutes an entirely separate and independent restriction and the duration, extent and application of each of the restrictions are no greater than is necessary for the protection of NCR's interests. If any part or clause of this Section is held unenforceable, it shall be severed and shall not affect any other part of this Section or this Agreement.

10. Acknowledgment of Certain Terms. You acknowledge and agree that the time, territory and scope of the Post-Employment Restrictive Covenants in this Agreement are reasonable and necessary for the protection of NCR's legitimate business interests and that they appropriately protect NCR's Confidential Information. You acknowledge that each clause constitutes an entirely separate and independent restriction and the duration, extent and application of each of the restrictions are no greater than is necessary for the protection of NCR's interests. You acknowledge that you have had a full and fair opportunity to be represented by counsel with respect to this Agreement and to consider these restrictions prior to your execution of it. Subject to the terms of this Agreement, you further acknowledge and agree that NCR has properly paid you for all work performed up through and including the date of this Agreement, and that you have no other wages, salary, reimbursements, or other monetary claims as of the date of this Agreement (and you acknowledge that pursuant to the terms of this Agreement that any such claims are waived). You acknowledge and agree that this Agreement does not constitute an admission by NCR of any liability or wrongdoing, and that NCR has no improperly retaliated against you for otherwise protected activity, if any.

11. Confidential Information and Trade Secrets; Limitations. You warrant and agree that (a) you have not used or disclosed any Confidential Information other than as necessary in the ordinary course of performing your duties as an NCR employee, and (b) you will keep in confidence and trust all Confidential Information known to you, and will not use or disclose such Confidential Information without the prior written consent of NCR, which may be granted or withheld in NCR's sole discretion, for any reason or no reason. You affirm your existing obligation that you will not utilize (or assist others in utilizing) in any way the trade secrets of NCR that were either developed by you or learned by you during your employment by NCR, nor any trade secrets of NCR that others may have shared with you.

a. As used in this Agreement, "Confidential Information" means confidential information or material belonging to NCR (including, without limitation, trade secrets and information about the Company's business, operations, customers, employees, and industry relationships), which is of value to NCR and which is not publicly known. Examples of Confidential Information are, without limitation, personal or private information shared with you by NCR officers, executives or employees or as to which you have otherwise come into possession, whether through your job duties or otherwise, including but not limited to financial information, reports, and forecasts; trade secrets, know-how and other intellectual property; software; market or sales information or plans, including but not limited to pricing, proposals, and product introductions; customer lists and information; and business plans, prospects, opportunities, and possible acquisitions or dispositions of businesses or facilities that have been discussed or considered by the management of NCR. Confidential Information includes information you developed during your employment with NCR and information to which you may have had access during your employment. Confidential Information also includes the confidential information of others with whom NCR has a business relationship including customers and partners. Confidential Information does not include information in the public domain, unless such information entered the public domain as a result of any action or omission by you or due to a breach of your obligations of this Agreement or your NCR duties by you or those acting at your direction or control.

b. Notwithstanding the foregoing non-disclosure provisions, this Agreement does not prohibit you from reporting possible violations of the law to government agencies including without limitation the DOJ, SEC or EEOC, nor shall any provision of this Agreement be interpreted or construed to prohibit you from filing claims or making disclosures protected under the so-called whistleblower provisions of applicable laws; you do not need the prior authorization of anyone at NCR to make any such claims or disclosures and you are not required to notify the company that you have made such claims or disclosures. Nothing in this Agreement is intended to, or shall prevent, impede or interfere with your providing testimony and information during an investigation or proceeding authorized or required by law and/or conducted by a governmental agency or entity possessed of jurisdiction. Further, nothing in this Agreement is intended to or shall preclude you from providing testimony or information in response to a valid subpoena, court order or discovery request in any public proceeding, provided, to the extent permitted by law, you have provided to NCR as much notice as practicable of any such compelled disclosure, to enable NCR to seek to limit, condition or quash such testimony or disclosure.

12. Non-Disparagement. You agree to refrain, on a permanent basis, from taking actions or making statements, written or oral, that disparage or defame the business, goodwill, character or reputation of NCR (including its directors, officers, executives, shareholders, subsidiaries, parent companies, and employees), and from taking actions or making statements that could adversely affect NCR's relationships with its customers, vendors or other business partners. Notwithstanding the foregoing, nothing in this Section 12 shall prevent you from making any truthful statement to the extent, but only to the extent (A) necessary with respect to any litigation, arbitration or mediation involving this Agreement, including, but not limited to, the enforcement of this Agreement, in the forum in which such litigation, arbitration or mediation properly takes place, (B) required by law, legal process or by any court, arbitrator, mediator or administrative or legislative body (including any committee thereof) with apparent jurisdiction over you, or (C) for the purpose of rebutting any statements made by the Company or its directors or executive officers. NCR agrees to instruct its directors and executive officers to refrain, on a permanent basis, from taking actions or making statements, written or oral, that disparage or defame your business, goodwill, character or reputation, and from taking actions or making statements that could adversely affect your relationships with your customers, vendors or other business partners. The obligations in this Section shall remain subject to, and not override, the provisions of Section 7(b) above.

13. Return of NCR Property. In the case of any termination of your employment, by your Separation Date you agree to return to NCR (to the attention of either Debra Bronder or Dipa Homer) all NCR property, equipment, documents, files and materials (other than documents pertaining to your personal benefits). You acknowledge that full and complete return of such property, in undamaged condition, is a material and non-waiveable condition that must be satisfied prior to your receiving any benefits under this Agreement, including but not limited to your Separation Pay. NCR property includes but is not limited to, the following materials, if applicable, provided to you in the course of your employment with NCR or otherwise obtained by you: NCR computers, mobile phones, hardware and software, portable media and storage devices, keys, NCR identification cards and badges, any computers and peripherals; any cellular/mobile phones, personal digital assistants, or other similar devices; other hardware and software of any kind; portable media devices or storage devices; all manuals and documentation; any telephone calling cards; keys; NCR identification cards or badges; any credit cards; and all tangible written or graphic materials (and all copies) generated or received by you in connection with, or relating in any way to NCR's business, including documents, investigation reports, emails, manuals, computer files, computer backups, customer lists, marketing plans, sales outlooks and projections, product evaluations, and reports of any kind, provided, however, you shall be permitted to retain, as your own property, copies of your individual tax records relating to your individual NCR compensation and your individual NCR employee benefits and your individual personnel records (excluding in each case any such records maintained by the Company), and you shall be permitted to retain those portions of your personal address book that contain only your individual personal contact information unrelated to NCR business or NCR business contacts. The foregoing (excluding the specific individual property you are permitted to retain as your personal property pursuant to the preceding sentence) includes all NCR data, email,

information and documents on your computers, your telephones, and on any portable media or storage devices, even if such devices are personally owned by you and not by NCR; in connection with the return of your computer, the hard drive must be returned intact and unaltered, without the removal or erasure of any data or files. Any breach of these provisions shall entitle NCR to all its remedies at law and equity, including but not limited to reimbursement of the Separation Pay and damages.

14. Assistance. You agree that, subject to reimbursement by NCR of your reasonable costs and expenses, including your time (other than for actual testimony, which shall not be compensated), you will reasonably cooperate with NCR and its internal and external counsel with respect to any matter (including but not limited to litigation, investigations or administrative proceedings) that relates to issues or subjects with which you were or may have been involved during your employment with NCR or with respect to which you have unique knowledge. You further agree to notify NCR's General Counsel immediately upon your being asked to assist or supply information to any person or entity regarding any civil claim or possible claim against NCR or any of its officers, directors, or employees, unless expressly prohibited by applicable law or by a law enforcement agency, and also to give such notice in the event you do in fact assist or supply information to any such person or entity, unless expressly prohibited by applicable law or by a law enforcement agency.

15. Specific Disclosures Regarding Trade Secrets. Under the Federal Defend Trade Secrets Act of 2016: (A) An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that (i) is made (a) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney and (b) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; (B) An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (i) files any document containing the trade secret under seal; and (ii) does not disclose the trade secret, except pursuant to court order.

16. Legal Fees. NCR will reimburse you for up to \$10,000 of reasonable, documented legal fees incurred in connection with your review and acceptance of this Agreement. Such documentation must be submitted to Deb Bronder no later than April 15, 2019 and will be reimbursed no later than May 15, 2019.

17. Notices. All notices required hereunder will be in writing and will be deemed given upon the following business day if delivered personally (receipt of which is confirmed) or by courier service promising overnight delivery (with delivery confirmation) or five (5) business days after deposit in the U.S. Mail, certified with return receipt requested. All notices will be addressed as follows:

If to you:

Robert P. Fishman

If to NCR:

NCR Corporation
864 Spring Street NW
Atlanta GA 30308
Attn: General Counsel

With a copy via electronic mail to:

law.notices@ncr.com

or to such other address as either party will have furnished to the other in writing.

18. Arbitration, and Class, Collective, and Representative Action Waiver. You and NCR (collectively, "The Parties") agree that any controversy or claim arising out of or related to this Agreement and/or with respect to your employment with NCR shall be resolved by binding arbitration; the obligation to arbitrate shall also extend to and encompass any claims that you may have or assert against any NCR employees, officers, directors or agents. Notwithstanding the foregoing, the following disputes and claims are not covered by this Arbitration provision and shall therefore be resolved in any appropriate forum as required by the laws then in effect: claims for workers' compensation benefits, unemployment insurance, or state or federal disability insurance; claims for temporary or preliminary injunctive relief (including a temporary restraining order) in aid of arbitration or to maintain the status quo pending arbitration; and any other dispute or claim that has been expressly excluded from arbitration by statute. The Parties further agree that in the event of a breach of this Agreement, NCR or you may, in addition to any other available remedies, bring an action in a Court of competent jurisdiction for equitable relief pending appointment of an arbitrator and completion of an arbitration; and, in such instance, shall not be required to post a bond. If any portion of this Arbitration provision is held unenforceable, it shall be severed and shall not affect the duty to arbitrate nor any other part of this Section. In addition:

a. The Parties agree that any demand for arbitration shall be filed within two years from the date of the circumstances giving rise to the claim, or if such circumstances were not capable of discovery by diligent effort, then two years from the date such circumstances should have been discovered, or the claim shall be barred. Arbitration shall be conducted in accordance with the Employment Arbitration Rules and Mediation Procedures of the American Arbitration Association (available at www.ADR.org) to the extent not inconsistent with the terms of this Agreement. The arbitrator shall allow discovery in the form of: (1) the mutual exchange of documents (as defined under the Federal Rules of Civil Procedure) pertaining to the claim being arbitrated and for which there is a direct and demonstrable need; and (2) up to three depositions by each party. Upon good cause shown, in a personal or telephonic hearing, the arbitrator may allow additional, non-burdensome discovery. The arbitrator shall balance the likely importance of the requested materials with the cost and burden of the discovery sought, and when disproportionate, the arbitrator may deny the request(s) or require that the requesting party advance the reasonable cost of production to the other side. Issues of arbitrability shall be determined in accordance with the U.S. federal substantive and procedural laws relating to arbitration; in all other respects, this Agreement shall be governed by the laws of the State of Georgia in the United States, without regard to its conflict-of-laws principles, and the arbitration shall be held in the metropolitan Atlanta, Georgia area, unless the parties mutually agree to a different site.

The arbitration shall be held before a single arbitrator who is an attorney having at least ten years of experience in employment law. The arbitrator's decision and award shall be final and binding and may be entered in any court having jurisdiction. The Parties agree that nothing in this Agreement relieves them from any obligation they may have to exhaust certain administrative remedies before arbitrating any claims or disputes under this Agreement. Each party shall bear its own attorney fees associated with the arbitration; other costs, and the expenses of the arbitration, shall be borne as provided by the rules of the American Arbitration Association.

b. Class, Collective and/or Representative Action Waiver. To the maximum extent permitted by law (i) all claims under this Agreement must be brought in the party's individual capacity, and not as a plaintiff or class member in any purported class, collective or representative proceeding; (ii) no claims may be brought or maintained on a class, collective or representative basis either in Court or in arbitration, notwithstanding the rules of the arbitral body; (iii) such claims will be decided on an individual basis in arbitration pursuant to this Agreement; and (iv) the Parties expressly waive any right with respect to any covered claims to submit, initiate, or participate as a plaintiff, claimant or member in a class action or collective action, regardless of whether the action is filed in arbitration or in court. Claims may not be joined or consolidated in arbitration with disputes brought by or against other individual(s), unless agreed to in writing by the Parties (you, NCR, and the other individual(s)). Any issue concerning the validity of this class, collective or representative action waiver, and whether an action may proceed as a class, collective or representative action, must be decided by a Court, and an arbitrator shall not have authority to consider the issue of the validity of this waiver or whether the action may proceed as a class, collective or representative action. If, for any reason, this class, collective and/or representative action waiver is determined to be unenforceable, then the class, collective or representative claim may proceed only in a Court of competent jurisdiction and may not be arbitrated. No arbitration award or decision will have any preclusive or estoppel effect as to issues or claims in any future dispute. THE PARTIES ACKNOWLEDGE THEY ARE KNOWINGLY AND VOLUNTARILY WAIVING ANY RIGHT THAT THEY MAY HAVE TO A JURY TRIAL.

19. Other Terms. You agree and acknowledge that (a) the rights and benefits provided to you under this Agreement are personal to you and no such right or benefit will be subject to alienation, assignment or transfer except as required by law; provided, however, that in the event of your death or disability following the Separation Date, the rights and benefits under this Agreement shall inure to the benefit of your respective heirs, executors and administrators, successors, and nothing in this Section will preclude you from designating a beneficiary or beneficiaries to receive any benefit that by its terms or applicable plan rules is payable on your death, (b) this Agreement is not intended to, and shall not, benefit any person or entity not expressly identified herein as an intended beneficiary, and there are no implied third-party beneficiaries under this Agreement, (c) NCR may seek any remedies available to enforce the provisions contained in this Agreement, including actual damages and seeking any injunctive relief to enjoin further violation or for specific enforcement of this Agreement, and in any such instance relating to a request for equitable relief NCR shall not be required to post a bond, (d) to the extent that any portion of this Agreement may be held by a competent tribunal to be invalid or legally unenforceable, the remaining portions will not be affected and will be given full force and effect, and, any such provision so held to be invalid or legally unenforceable shall be deemed revised by the tribunal so as to be rendered enforceable, in a fashion calculated to achieve the intent of the parties expressed in this Agreement to the greatest extent possible; (e) the failure to enforce at any time any of the provisions of this Agreement, or to require at any time performance by the other party of any of the provisions hereof, will in no way be construed to be a waiver of such provisions or to affect either the validity of this Agreement or any part hereof or the right of either party thereafter to enforce each and every provision in accordance with the terms of this Agreement; and (f) this Agreement may be executed simultaneously in two or more counterparts, each of which will be an original and constitute one and the same agreement.

20. Governing Law; Validity. The interpretation, construction and performance of this Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of Georgia without regard to its principles of conflicts of laws.

21. Taxes and Section 409A Compliance. NCR may withhold from any amounts payable under this Agreement all Federal, State, city or other taxes as NCR is required to withhold pursuant to any applicable law, regulation or ruling. The consideration provided under this Agreement is intended to be exempt from or in full compliance with the provisions of Section 409A of the Internal Revenue Code and this Agreement shall be administered in a manner consistent with this intent. Notwithstanding any other provision of this Agreement, NCR shall not be obligated to guarantee any particular tax result for you with respect to any payment provided to you hereunder, and you shall be responsible for any taxes imposed on you with respect to any such payment. For purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following a termination of employment that are considered deferred compensation under Section 409A, references to your "termination of employment" (and corollary terms) with the Company shall be construed to refer to your "separation from service" (within the meaning of Treas. Reg. Section 1.409A-1(h)) with the Company. If you are a "specified employee" within the meaning of Treasury Regulation Section 1.409A -1(i) as of the date of your separation from Service (within the meaning of Treas. Reg. Section 1.409A-1(h)), then any payment or benefit due pursuant to this Agreement on account of your separation from service, to the extent such payment constitutes nonqualified deferred compensation subject to Code Section 409A and required to be delayed pursuant to Section 409A(a)(2)(B)(i) of the Code (after taking into account any exclusions applicable to such payment under Code Section 409A), shall not be made until the first business day after (i) the expiration of six (6) months from the date of Employee's separation from service, or (ii) if earlier, the date of Employee's death (the "Delay Period"). Upon the expiration of the Delay Period, all payments and benefits delayed pursuant to this Section 21 (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed to you in a lump sum and any remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein. To the extent that any right to reimbursement of expenses or payment of any benefit in-kind due under this Agreement constitutes nonqualified deferred compensation (within the meaning of Section 409A of the Code), (i) any such expense reimbursement shall be made by the Company no later than the last day of the taxable year following the taxable year in which such expense was incurred by you, (ii) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (iii) 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. Each payment in a series of payments due hereunder

shall be deemed to be a separate payment for purposes of Section 409A of the Code. Whenever a payment under this Agreement specifies a payment period with reference to a number of days, the actual date of payment within the specified period shall be within the sole discretion of the Company.

22. Entire Agreement. You and NCR agree that this Agreement constitutes the complete understanding between you and NCR regarding its subject matter and that there are no other promises or agreements, express or implied, between you and NCR relating to that subject matter. This Agreement fully supersedes and replaces all prior agreements, communications, correspondence or understandings, if any, whether written or oral between you and NCR on the subject matter of this Agreement, except that nothing herein shall be deemed to supersede, modify or extinguish NCR remedies under the Programs or under other agreements between you and NCR relating to other matters, such as but not limited to Award Agreements and intellectual property ownership agreements, and the terms of the Programs relating to NCR remedies and the terms of such other agreements relating to NCR remedies shall continue in full force and effect.

23. Acknowledgements.

You further agree that:

- You have read this Agreement and understand all of its terms;
- You understand that this agreement includes a waiver of claims of age discrimination under the Age Discrimination in Employment Act;
- You are entering into this Agreement knowingly, voluntarily and with full knowledge of its significance;
- This Agreement does not release claims that may arise in the future;
- You have been advised to consult an attorney regarding this Agreement;
- You have twenty-one (21) calendar days to consider this Agreement and you will have seven (7) calendar days to revoke the Agreement after you sign it. If you want to revoke it, you must deliver a written revocation to NCR at the notice address set forth in Section 17 above, within seven (7) days after you sign the Agreement. If you do not revoke it, the Agreement will become effective on the eighth day after you sign it;
- The promises contained in this Agreement are consideration for your signing this Agreement and represent payments and other benefits that you are not otherwise entitled to receive from NCR.

THIS AGREEMENT IS EFFECTIVE AS OF THE LAST DATE SIGNED ON THIS SIGNATURE PAGE.

SIGNED:

Robert P. Fishman

NCR Corporation

/s/ Robert P. Fishman

/s/ Debra Bronder

Debra Bronder

Its Chief Human Resources Officer

Date: March 11, 2019

Date: March 12, 2019

SUBSIDIARIES OF NCR CORPORATION
as of April 22, 2019

<u>Name of Subsidiary</u>	<u>Jurisdiction of Incorporation</u>
Data Pathing Holdings LLC	Delaware
JetPay Corporation	Delaware
JetPay Payment Services, FL, LLC	Delaware
NCR EasyPoint LLC	Delaware
NCR European and South American Holdings LLC	Delaware
NCR Government Systems LLC	Delaware
NCR Indonesia LLC	Delaware
NCR International, Inc.	Delaware
NCR Italia Holdings LLC	Delaware
NCR Latin American Holdings LLC	Delaware
NCR Middle East Holdings, LLC	Delaware
NCR Poland LLC	Delaware
NCR Solutions (Middle East) LLC	Delaware
NCR Receivables LLC	Delaware
North American Research Corporation	Delaware
Quantor Holdings LLC	Delaware
NCR Foreign Investco, LLC	Delaware
NCR Foreign Investco 1, LLC	Delaware
StopLift, Inc.	Delaware
Radiant Payment Services, LLC	Georgia
The National Cash Register Company	Maryland
JetPay HR & Payroll Services, Inc.	Pennsylvania
Payroll Tax Filing Services, Inc.	Pennsylvania
JetPay Payment Services, PA, LLC	Pennsylvania
JetPay Payment Services, TX, LLC	Texas
TCR Business Systems, Inc.	Texas
Texas Digital Systems, Inc.	Texas
NCR Argentina S.R.L.	Argentina
NCR Australia Pty Limited	Australia
Quest Retail Technology Pty Ltd	Australia
Radiant Systems Asia-Pacific Pty Ltd.	Australia
Retalix Australia Pty Ltd	Australia
RADS Australia Holdings Pty Ltd	Australia
NCR Oesterreich Ges.m.b.H.	Austria
Orderman GmbH	Austria
Radiant Systems GmbH	Austria
NCR (Bahrain) W.L.L.	Bahrain
NCR Hospitality Bahrain SPC	Bahrain
NCR Belgium & Co. SNC	Belgium
Global Assurance Limited	Bermuda
NCR (Bermuda) Holdings Ltd.	Bermuda
NCR Bermuda (2006) Limited	Bermuda

SUBSIDIARIES OF NCR CORPORATION
as of April 22, 2019

Name of Subsidiary	Jurisdiction of Incorporation
NCR Services Ltd.	Bermuda
NCR Treasury Finance Limited	Bermuda
NCR Treasury Financing Limited	Bermuda
NCR d.o.o. Banja Luka	Bosnia
NCR Brasil – Industria de Equipamentos para Automacao S.A.	Brazil
NCR Brasil Ltda	Brazil
Wyse Sistemas de Informatica Ltda	Brazil
NCR Canada Corp.	Canada
NCR Chile Industrial y Comercial Limitada	Chile
NCR Comercial E Inversiones Limitada	Chile
NCR (Bejing) Financial Equipment System Co., Ltd.	China
NCR (Guangzhou) Technology Co., Ltd.	China
NCR (Shanghai) Technology Services Ltd.	China
Retalix Technology (Bejing) Co. Ltd.	China
NCR Columbia Ltda	Columbia
Papeles y Suministros del Cuaca S.A. (Joint Venture)	Columbia
NCR (Cyprus) Limited	Cyprus
NCR (Middle East) Limited	Cyprus
NCR (North Africa) Limited	Cyprus
NCR Ceska Republika spol. S.r.o.	Czech Republic
NCR Danmark A/S	Denmark
NCR Dominicana SRL	Dominican Republic
NCR Finland OY	Finland
4Front Technologies SA France	France
NCR France, SNC	France
NCR Antilles S.A.R.L.	French W.I.
NCR GmbH	Germany
NCR Ghana Limited	Ghana
NCR (Hellas) S.A.	Greece
NCR (Hong Kong) Limited	Hong Kong
NCR Magyarorszag Informacio-Technologiai Kft.	Hungary
NCR Corporation India Private Limited	India
Digital Insight India Products Private Limited	India
StopLift Infotech Private Limited	India
PT. NCR Indonesia	Indonesia
NCR Global Holdings Limited	Ireland
NCR Global Solutions Limited	Ireland
NCR Israel Ltd.	Israel
NCR Global Ltd.	Israel
Moon Holdings S.P.V. Ltd.	Israel
Tamar Industries M.R. Electronics (1985) Ltd.	Israel
NCR Italia S.r.l.	Italy

SUBSIDIARIES OF NCR CORPORATION
as of April 22, 2019

Name of Subsidiary	Jurisdiction of Incorporation
NCR Japan Ltd.	Japan
NCR (Kenya) Limited	Kenya
NCR Korea Co. Ltd.	Korea
NCR International SNC	Luxembourg
NCR International 2 SNC	Luxembourg
RADS International SARL	Luxembourg
Orderman S.A.R.L.	Luxembourg
NCR (Macau) Limited	Macau
NCR Payments and Services Malaysia Sdn Bhd	Malaysia
NCR (Malaysia) Sdn Bhd	Malaysia
Radiant Systems Retail Solutions Sdn Bhd	Malaysia
Tricubes NCR JV Sdn Bhd	Malaysia
NCR de Mexico S. de R.L. de C.V.	Mexico
NCR Solutions de Mexico S. de R.L. de C.V.	Mexico
Global Acquisition C.V.	Netherlands
Keynesplein Holding C.V.	Netherlands
NCR Dutch Holdings B.V.	Netherlands
NCR Dutch Holdings C.V.	Netherlands
NCR Nederland B.V.	Netherlands
NCR (NZ) Corporation	New Zealand
N.C.R. (Nigeria) PLC	Nigeria
NCR Norge AS	Norway
NCR Corporation de Centroamerica S.A.	Panama
NCR del Peru S.A.	Peru
NCR Cebu Development Center, Inc.	Philippines
NCR Corporation (Philippines)	Philippines
NCR Polska sp.z.o.o.	Poland
NCR Iberia Unipessoal, Lda.	Portugal
NCR Qatar LLC	Qatar
NCR A/O	Russia
NCR d.o.o. Beograd	Serbia
NCR Asia Pacific Pte Ltd	Singapore
NCR Singapore Pte Ltd	Singapore
Radiant Systems Retail Solutions Pte Ltd	Singapore
NCR International (South Africa) (Pty) Ltd.	South Africa
NCR Espana, S.L.	Spain
Orderman Iberica S.L.	Spain
Iber Aloha S.L.	Spain
National Registrierkassen AG	Switzerland
NCR (Switzerland) GmbH	Switzerland
NCR Systems Taiwan Ltd.	Taiwan
NCR (Thailand) Limited	Thailand

SUBSIDIARIES OF NCR CORPORATION
as of April 22, 2019

Name of Subsidiary	Jurisdiction of Incorporation
Radiant Systems Co. Ltd.	Thailand
NCR Bilisim Sistemleri, L.S.	Turkey
NCR Ukraine Limited	Ukraine
NCR Financial Solutions Group Limited	United Kingdom
NCR Limited	United Kingdom
NCR UK Group Limited	United Kingdom
Radiant Systems UK (II) Limited	United Kingdom
Radiant Systems Limited	United Kingdom
N. Timms & Co. (Private) Ltd	Zimbabwe
NCR Zimbabwe (Private) Ltd	Zimbabwe

CERTIFICATION

I, Michael D. Hayford, certify that:

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

Date: May 7, 2019

/s/ Michael D. Hayford

Michael D. Hayford
President and Chief Executive Officer

CERTIFICATION

I, Andre J. Fernandez, certify that:

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

Date: May 7, 2019

/s/ Andre J. Fernandez

Andre J. Fernandez

Executive Vice President and Chief Financial Officer

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

In connection with the Quarterly Report on Form 10-Q of NCR Corporation, a Maryland corporation (the "Company") for the period ending March 31, 2019 as filed with the U.S. Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of the Company does hereby certify, pursuant to 18 U.S.C. § 1350 (section 906 of the Sarbanes-Oxley Act of 2002), that:

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

The foregoing certification (i) is given to such officers' knowledge, based upon such officers' investigation as such officers reasonably deem appropriate; and (ii) is being furnished solely pursuant to 18 U.S.C. § 1350 (section 906 of the Sarbanes-Oxley Act of 2002) and is not being filed as part of the Report or as a separate disclosure document.

Dated: May 7, 2019

/s/ Michael D. Hayford

Michael D. Hayford
President and Chief Executive Officer

Dated: May 7, 2019

/s/ Andre J. Fernandez

Andre J. Fernandez
Executive Vice President and Chief Financial Officer

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