

Risk Factors Comparison 2025-02-27 to 2024-02-29 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text Section**

Risks Related to Our Business and Operations The markets in which we compete are rapidly changing and highly competitive, and we may not be able to compete effectively. The markets in which we compete are characterized by rapid change, frequent introduction of new products and services, evolving technologies and industry standards, intense competition, and increasing client expectations. We may not be successful in developing, marketing, or selling new products and services that meet these demands or achieve market acceptance. We must anticipate and respond to these changes in order to remain competitive within our relevant markets. There is no assurance that we will be able to maintain our current market share or customer base. We face intense competition in our businesses and we expect competition to remain intense in the future. We have many competitors that are significantly larger than us and have significantly greater financial, technical and marketing resources, have well- established relationships with our current or potential customers, advertise aggressively or beat us to the market with new products and services. **Mergers and acquisitions by, and collaborations between, the companies we compete against may lead to even larger competitors with more resources.** In addition, some of our clients have chosen to develop key products in- house, **and others may choose to do so in the future.** As a result, we may compete against our existing and potential clients' ~~in-~~ house capabilities. Additionally, we expect that the markets in which we compete will continue to attract new competitors and new technologies. Increased competition in our markets could lead to price reductions, reduced profits, or loss of market share. To compete successfully, we need to maintain a successful research and development effort **and adapt to technological changes and evolving industry standards, including the implementation of AI in our products.** If we fail to enhance our current products and develop new products in response to changes in technology and industry standards, bring product enhancements or new product developments to market quickly enough, or accurately predict future changes in our customers' needs and our competitors develop new technologies or products, our products could become less competitive or obsolete. In addition, the success of certain of our products and services rely, in part, on financial institutions, corporate, and other third parties to promote the use of our products and services by their customers. If we are unsuccessful in offering products or services that gain market acceptance and compete effectively, or if third parties insufficiently promote our products and services, it would likely have a material adverse effect on our ability to retain existing clients, to attract new ones, and to grow profitably. If we experience business interruptions, **cybersecurity incidents** or failure of our information technology and communication systems, the availability of our products and services could be interrupted which could adversely affect our reputation, business and financial condition. Our ability to provide reliable service in a number of our businesses depends on the efficient and uninterrupted operation of our data centers, information technology and communication systems, and those of our external service providers **or business partners. We have experienced non- material incidents in the past.** As we continue to grow our private and public cloud offerings, our dependency on the continuing operation and availability of these systems increases. Our systems and data centers, and those of our external service providers **or business partners**, could be exposed to damage or interruption from fire, natural disasters, constraints within our workforce due to pandemics such as outbreaks of COVID- 19, power loss, telecommunications failure, unauthorized entry ~~and~~, computer viruses, **cybersecurity incidents, ransom attacks, denial of service attacks, human error, software errors or design defaults, labor issues, vandalism, terrorism, and other events beyond our control.** Although we have taken steps to prevent system failures and we have installed back- up systems and procedures to prevent or reduce disruption, such steps may not be sufficient to prevent an interruption of services and our **business continuity and** disaster recovery planning may not account for all eventualities. Further, our **cybersecurity,** property and business interruption insurance may not be adequate to compensate us for all losses or failures that may occur. An operational failure, **disruption,** or outage in any of these systems, or damage to or destruction of these systems, which causes disruptions in our services, could result in **a failure to make required regulatory filings,** loss of customers, damage to customer relationships, reduced revenues and profits, refunds of customer charges and damage to our brand and reputation and may require us to incur substantial additional expense to repair or replace damaged equipment and recover data loss caused by the interruption. Any one or more of the foregoing occurrences could have a material adverse effect on our reputation, business, financial condition, cash flows and results of operations. **Moreover, to the extent that any system failure or similar event results in damages to our customers or contractual counterparties, those customers and contractual counterparties could seek compensation from us for their losses, and those claims, even if unsuccessful, would likely be time- consuming and costly for us to address.** If our security measures are ~~breached- compromised~~ **or we experience** ~~become infected with a computer virus- cybersecurity incident or similar attack~~, or if our services are subject to attacks that degrade or deny the ability of users to access our products or services, our business may be harmed by disrupting delivery of services and damaging our reputation. As part of our business, we electronically receive, process, store, and transmit **information, including personal information and** sensitive business information of our customers. **Cybersecurity incidents vary in their form and can include the deployment of harmful malware or ransomware, denial- of- services attacks, and other attacks, which may affect business continuity and threaten the availability, confidentiality and integrity of our systems and information. Cybersecurity incidents can also include employee or personnel failures, fraud, phishing or other social engineering attempts or other methods to cause confidential information, payments, account access or access credentials, or other data to be transmitted to an unintended recipient. Cybersecurity threat actors also may attempt to exploit vulnerabilities in software including software commonly used by companies in cloud- based services and bundled software. Like many other companies, we detect attempts by threat actors to gain access to our systems and networks on a frequent basis, and**

the frequency of such attempts could increase in the future. Unauthorized access to, use, our or disruptions to our data, computer systems or databases **or other cybersecurity incidents or similar attacks** could result in the theft or publication of confidential information or the deletion or modification of records or could otherwise cause interruptions in our operations. These concerns about security are increased when we transmit information over the Internet. Security breaches **and cybersecurity incidents** in connection with the delivery of our products and services, including products and services utilizing the Internet, or well- publicized security breaches, and the trend toward broad consumer and general public notification of such incidents, could significantly harm our business, financial condition, cash flows and / or results of operations. We cannot be certain that advances in criminal capabilities, discovery of new vulnerabilities, attempts to exploit vulnerabilities in our systems, data thefts, physical system or network break- ins or inappropriate access, or other developments will not compromise or breach the technology protecting our networks and confidential information. Computer viruses have also been distributed and have rapidly spread over the Internet. Computer viruses could infiltrate our systems, disrupting our delivery of services and making our applications unavailable. Any inability to prevent security breaches or computer viruses could also cause existing customers to lose confidence in our systems and terminate their agreements with us, and could inhibit our ability to attract new customers.

If we engage in acquisitions, strategic partnerships or significant investments in new business, we will be exposed to risks which could materially adversely affect our business. As part of our business strategy, we anticipate that we may acquire new products and services or enhance existing products and services through acquisitions of other companies, product lines, technologies and personnel, or through investments in, or strategic partnerships with, other companies. Any acquisition, investment or partnership, is subject to a number of risks. Such risks include the diversion of management time and resources, disruption of our ongoing business, potential overpayment for the acquired company or assets, dilution to existing stockholders if our common stock is issued in consideration for an acquisition or investment, incurring or assuming indebtedness or other liabilities in connection with an acquisition which may increase our interest expense and leverage significantly, lack of familiarity with new markets, and difficulties in supporting new product lines. Further, even if we successfully complete acquisitions, we may encounter issues not discovered during our due diligence process, including product or service quality issues, intellectual property issues and legal contingencies, the internal control environment of the acquired entity may not be consistent with our standards and may require significant time and resources to improve and we may impair relationships with employees and customers as a result of migrating a business or product line to a new owner. We may also face challenges in integrating any acquired business. These challenges may include eliminating redundant operations, facilities and systems, coordinating management and personnel, retaining key employees, customers and business partners, managing different corporate cultures, and achieving cost reductions and cross- selling opportunities. There can be no assurance that we will be able to fully integrate all aspects of acquired businesses successfully, realize synergies expected to result from the acquisition, advance our business strategy or fully realize the potential benefits of bringing the businesses together, and the process of integrating these acquisitions may further disrupt our business and divert our resources. Our failure to successfully manage acquisitions or investments, or successfully integrate acquisitions could have a material adverse effect on our business, financial condition, cash flows and / or results of operations. Correspondingly, our expectations related to the benefits related to our recent acquisitions, prior acquisitions or any other future acquisition or investment could be inaccurate. Failure to successfully complete divestitures or other restructuring activities could negatively affect our operations. From time to time, we may divest of all or a portion of certain businesses. Divestitures involve risk, including, potential increased expense associated with the divestitures, and potential issues with the acquirers, customers or suppliers of the divested business, or products. Occasionally, we may wind down certain business activities and perform other organizational restructuring projects in an effort to reduce costs and streamline operations. For example, we divested our corporate online banking solutions related assets and liabilities to One Equity Partners on September 1, 2022. Divestiture activities involve risks as they may divert management' s attention from our core businesses, increase expenses on a short - term basis and lead to potential issues with employees or customers. If we do not complete these activities in a timely manner, or do not realize anticipated cost savings, synergies and efficiencies, business disruption occurs during or following such activities, or we incur unanticipated charges, this may negatively impact our business, financial condition, operating results, and cash flows. ~~Additionally, we may experience difficulty separating out portions of, or entire, businesses, incur loss of revenue or experience negative impact on margins, or we may not achieve the desired strategic and financial benefits. Such potential transactions may also delay achievement of our strategic objectives, cause us to incur additional expenses, disrupt customer or employee relationships, and expose us to unanticipated or ongoing obligations and liabilities, including as a result of our indemnification obligations. Further, during the pendency of a divestiture, we may be subject to risks such as a decline in the business to be divested, loss of employees, customers, or suppliers and the risk that the transaction may not close, any of which would have a material adverse effect on the business to be divested and our retained business. If a divestiture is not completed for any reason, we may not be able to find another buyer on the same terms, and we may have incurred significant costs without any corresponding benefit.~~ We may experience difficulties implementing our strategy, and the strategy could prove unsuccessful in growing our business. Our strategy focuses on investments in real- time payments, large sophisticated global banks and merchants, and fast- **growing emerging markets. Successfully implementing our strategy may present organizational and infrastructure challenges, and we may not be able to fully implement or realize the intended benefits of our strategy. Moving to a new business strategy may result in a loss of established efficiency, which may have a negative impact on our business. As we adjust, we also may need to bring on additional talent, which could prove difficult in a competitive job market, especially as remote working continues. The increased focus on opportunities for strategic mergers and acquisitions and research and development could result in financial difficulties and may not always be fruitful. We may also face an increased amount of competition as we attempt to expand and grow our business, which may negatively impact our financial results. In order for us to be successful as we enter and invest in emerging markets, these markets must continue to grow. However, this growth depends on a variety of factors that we are not**

always able to predict. Failure to attract and retain senior management personnel and skilled technical employees could harm our ability to grow. Our senior management team has significant experience in the financial services industry. The loss of this leadership could have an adverse effect on our business, operating results and financial condition. Further, the loss of this leadership may have an adverse impact on senior management's ability to provide effective oversight and strategic direction for all key functions within our company, which could impact our future business, operating results and financial condition. Our future success also depends upon our ability to attract and retain highly- skilled technical personnel. **We may need to invest significant amounts of cash and equity to attract and retain new employees, and we may never realize returns on these investments.** Because the development of our solutions and services requires knowledge of computer hardware, operating system software, system management software, and application software, our technical personnel must be proficient in a number of disciplines. Competition for such technical personnel is intense, and our failure to hire and retain talented personnel could have a material adverse effect on our business, operating results, and financial condition. Our future growth will also require sales and marketing, financial and administrative personnel to develop and support new solutions and services, to enhance and support current solutions and services and to expand operational and financial systems. There can be no assurance that we will be able to attract and retain the necessary personnel to accomplish our growth strategies and we may experience constraints that could adversely affect our ability to satisfy client demand in a timely fashion. Our ability to maintain compliance with applicable laws, rules and regulations and to manage and monitor the risks facing our business relies upon the ability to maintain skilled compliance, security, risk and audit professionals. Competition for such skillsets is intense, and our failure to hire and retain talented personnel could have an adverse effect on our internal control environment and impact our operating results. During the global COVID- 19 pandemic, a significant portion of our workforce worked mostly in a remote environment. While our employees have begun to transition back to the office, this remote environment has continued after the pandemic for some of our workforce in part or in full, and could impact the quality of our corporate culture. Failure to attract, hire, develop, motivate and retain highly qualified and diverse employee talent, or to maintain a corporate culture that fosters innovation, creativity, and teamwork could harm our overall business and results of operations. **If we engage in acquisitions, strategic..... are not always able to predict.** To the extent that we convert some or all of our on- premise licenses from a fixed- term to a subscription model, our future financial results will be affected by the frequency at which our customers adopt our subscription model, which carries with it certain risks. Our on- premise licenses currently have a five- year fixed term model. In the future, we may transition some or all of these licenses to a subscription model. A transition to a subscription model would reflect a significant shift from a fixed- term license. In addition, a subscription model presents a number of risks to us including the following: • arrangements entered into on a subscription basis generally delay the timing of revenue recognition and can require the incurrence of up- front costs, which may be significant **and could make it difficult for investors to understand our results of operations as they compare to prior periods**; • subscription models make it difficult to rapidly increase revenues through additional bookings in any period, as revenues are recognized ratably over the subscription period; • customers in a subscription arrangement may elect not to renew their contract upon expiration or they may attempt to renegotiate pricing or other contractual terms at the point of (or prior to) renewal on terms that are less favorable to us; and • there is no assurance that our customers will broadly accept a subscription model for our on- premise licenses. Certain anti- takeover provisions contained in our charter and under Delaware law could hinder a takeover attempt. We are subject to the provisions of Section 203 of the General Corporation Law of the State of Delaware prohibiting, under some circumstances, publicly held Delaware corporations from engaging in business combinations with some stockholders for a specified period of time without the approval of the holders of substantially all of our outstanding voting stock. Such provisions could delay or impede the removal of incumbent directors and could make more difficult a merger, tender offer, or proxy contest involving us, even if such events could be beneficial, in the short term, to the interests of our stockholders. In addition, such provisions could limit the price that some investors might be willing to pay in the future for shares of our common stock. Our certificate of incorporation and bylaws contain provisions relating to the limitation of liability and indemnification of our directors and officers, ~~dividing our board of directors into three classes of directors serving three- year terms~~ and providing that our stockholders can take action only at a duly called annual or special meeting of stockholders. Risks Related to Our Customers Certain payment funding methods expose us to the credit and / or operating risk of our ~~clients~~ **customers**. When we process an automated clearing house or ATM network payment transaction for certain ~~clients~~ **customers**, we occasionally transfer funds from our settlement account to the intended destination account before we receive funds from a client's source account. The vast majority of these occurrences are resolved quickly through normal processes. However, if they are not resolved and we are then unable to reverse the transaction that sent funds to the intended destination, a shortfall in our settlement account will be created. Although we have legal recourse against our clients for the amount of the shortfall, timing of recovery may be delayed by litigation or the amount of any recovery may be less than the shortfall. In either case, we would have to fund the shortfall in our settlement account from our corporate funds. **Our business could be materially detrimentally impacted by loss caused by theft or fraud. When our payments services are used to process illegitimate transactions, and we settle those funds to customers and are unable to recover them, we suffer losses and liability. Illegitimate transactions can also expose us to governmental and regulatory enforcement actions and potentially prevent us from satisfying our contractual obligations to our third- party partners, which may cause us to be in breach of our obligations. Our risk management policies, procedures, techniques, and processes may not be sufficient to identify all of the risks to which we are exposed, to enable us to prevent or mitigate the risks we have identified, or to identify additional risks to which we may become subject in the future. Our current business, the changing and uncertain economic, geopolitical and regulatory environment, and our anticipated growth will continue to place significant demands on our risk management and compliance efforts. As our ecosystems grow and our business becomes more complex, we will need to continue developing, improving, and making investments into our risk management infrastructure, techniques, and processes.** Potential customers may be reluctant to switch to a new vendor, which may

adversely affect our growth, ~~both in the United States and internationally~~. For banks, intermediaries, and other potential customers of our products, switching from one vendor of core financial services software (or from an internally developed legacy system) to a new vendor is a significant endeavor. Many potential customers believe switching vendors involves too many potential disadvantages such as disruption of business operations, loss of accustomed functionality, and increased costs (including conversion and transition costs). As a result, potential customers may resist change. We seek to overcome this resistance through value enhancing strategies such as a defined conversion / migration process, continued investment in the enhanced functionality of our software and system integration expertise. **However, These actions require the expenditure of time and resources, and there can be no assurance that they will result in a potential customer switching to use our products and services. There** can be no assurance that our strategies for overcoming potential customers' reluctance to change vendors will be successful, and this resistance may adversely affect our growth, ~~both in the United States and internationally~~. Risks Related to Our Intellectual Property We may be unable to protect our intellectual property and technology. To protect our proprietary rights in our intellectual property, we rely on a combination of contractual provisions, including customer licenses that restrict use of our products, confidentiality agreements and procedures, and trade secret and copyright laws. Despite such efforts, we may not be able to adequately protect our proprietary rights, or our competitors may independently develop similar technology, duplicate products, or design around any rights we believe to be proprietary. This may be particularly true in countries other than the United States because some foreign laws do not protect proprietary rights to the same extent as certain laws of the United States. Any failure or inability to protect our proprietary rights could materially adversely affect our business. **Additionally, various events outside of our control may pose a threat to our intellectual property rights, as well as to our products and services. Effective protection of intellectual property rights is expensive and difficult to maintain, both in terms of application and maintenance costs, as well as the costs of defending and enforcing those rights. The efforts we have taken to protect our intellectual property rights may not be sufficient or effective. Our intellectual property rights may be infringed, misappropriated, or challenged, which could result in them being narrowed in scope or declared invalid or unenforceable.** We also use a limited amount of software licensed by its authors or other third parties under so-called "open source" licenses and may continue to use such software in the future. Some of these licenses contain requirements that we make available source code for modifications or derivative works we create based upon the open source software, and that we license such modifications or derivative works under the terms of a particular open source license or other license granting third parties certain rights of further use. By the terms of certain open source licenses, we could be required to release the source code of our proprietary software if we combine our proprietary software with open source software in a certain manner. Additionally, the terms of many open source licenses have not been interpreted by United States or other courts, and there is a risk that these licenses could be construed in a manner that could impose unanticipated conditions or restrictions on our ability to commercialize our solutions. In addition to risks related to license requirements, usage of certain open source software can lead to greater risks than use of third-party commercial software, as open source licensors generally do not provide warranties or controls on origin of the software. Our exposure to risks associated with the use of intellectual property may be increased for third-party products distributed by us or as a result of acquisitions since we have a lower level of visibility, if any, into the development process with respect to such third-party products and acquired technology or the care taken to safeguard against infringement risks. We may be subject to increasing litigation over our intellectual property rights. There has been a substantial amount of litigation in the software industry regarding intellectual property rights. Third parties have in the past, and may in the future, assert claims or initiate litigation related to exclusive patent, copyright, trademark or other intellectual property rights to business processes, technologies and related standards that are relevant to us and our customers. These assertions have increased over time as a result of the general increase in patent claims assertions, particularly in the United States. Because of the existence of a large number of patents in the electronic commerce field, the secrecy of some pending patents and the rapid issuance of new patents, it is not economical or even possible to determine in advance whether a product or any of its components infringes or will infringe on the patent rights of others. Any claim against us, with or without merit, could be time-consuming, **divert management's attention,** result in costly litigation, cause product delivery delays, require us to enter into royalty or licensing agreements or pay amounts in settlement, or require us to develop alternative non-infringing technology. We anticipate that software product developers and providers of electronic commerce solutions could increasingly be subject to infringement claims, and third parties may claim that our present and future products infringe upon their intellectual property rights. Third parties may also claim, and we are aware that at least two parties have claimed on several occasions, that our customers' use of a business process method which utilizes our products in conjunction with other products infringe on the third-party's intellectual property rights. These third-party claims could lead to indemnification claims against us by our customers. Claims against our customers related to our products, whether or not meritorious, could harm our reputation and reduce demand for our products. Where indemnification claims are made by customers, resistance even to unmeritorious claims could damage the customer relationship. A successful claim by a third-party of intellectual property infringement by us or one of our customers could compel us to enter into costly royalty or license agreements, pay significant damages, or stop selling certain products and incur additional costs to develop alternative non-infringing technology. Royalty or licensing agreements, if required, may not be available on terms acceptable to us or at all, which could adversely affect our business. **In addition, companies that incorporate open source software into their solutions have, from time to time, faced claims challenging the ownership of solutions developed using open source software. As a result, we could be subject to suits by parties claiming ownership of what we believe to be open source software.** We are engaged in offshore software development activities, which may not be successful and which may put our intellectual property at risk. As part of our globalization strategy and to optimize available research and development resources, we utilize our Irish subsidiary to serve as the focal point for certain international product development and commercialization efforts. This subsidiary oversees remote software development operations in Romania and elsewhere, as well as manages certain of our intellectual property rights. In

addition, we manage certain offshore development activities in India. While our experience to date with our offshore development centers has been positive, there is no assurance that this will continue. Specifically, there are a number of risks associated with this activity, including but not limited to the following: • communications and information flow may be less efficient and accurate as a consequence of the time, distance and language differences between our primary development organization and the foreign based activities, resulting in delays in development or errors in the software developed; • in addition to the risk of misappropriation of intellectual property from departing personnel, there is a general risk of the potential for misappropriation of our intellectual property that might not be readily discoverable; • the quality of the development efforts undertaken offshore may not meet our requirements because of language, cultural and experiential differences, resulting in potential product errors and / or delays; • **compliance with laws of the foreign countries where the operations are conducted could be complex or costly**; • potential disruption from the involvement of the United States in political and military conflicts around the world; and • currency exchange rates could fluctuate and adversely impact the cost advantages intended from maintaining these facilities. Risks Related to Our International Operations There are a number of risks associated with our international operations that could have a material impact on our operations and financial condition. We derive a significant portion of our revenues from international operations and anticipate continuing to do so. As a result, we are subject to risks of conducting international operations. One of the principal risks associated with international operations is potentially adverse movements of foreign currency exchange rates. Revenues and profit generated by international operations will increase or decrease compared to prior periods as a result of changes in foreign currency exchange rates. Our exposures resulting from fluctuations in foreign currency exchange rates may change over time as our business evolves and could have an adverse impact on our financial condition, cash flows and / or results of operations. We have not entered into any derivative instruments or hedging contracts to reduce exposure to adverse foreign currency changes. Other potential risks include difficulties associated with staffing and management **in an environment of diverse cultures, laws, and customs, challenges caused by distance, language, and cultural differences, and the increased travel, infrastructure, and legal and compliance costs associated with global operations, failure to anticipate competitive conditions and competition with service providers or other market- players that have greater experience in the foreign markets than we do, failure to conform with applicable business customs, including translation into foreign languages, cultural context, and associated expenses, changes to the way we do business as compared with our current operations, inability to support and integrate with local third- party service providers, difficulties in maintaining our company culture, difficulty in gaining acceptance and maintaining compliance with industry self- regulatory bodies, compliance with U. S. and foreign anti- corruption, anti- bribery, and anti- money laundering laws, increased exposure to public health issues such as pandemics, and related industry and governmental actions to address these issues**, competing with more established companies in international markets, reliance on independent distributors, longer payment cycles, potentially unfavorable changes to foreign tax rules, unfavorable trade treaties or tariffs, compliance with foreign regulatory requirements, effects of a variety of foreign laws and regulations, including restrictions on access to personal information, reduced protection of intellectual property rights, variability of foreign economic conditions, governmental currency controls, difficulties in enforcing our contracts in foreign jurisdictions, **trade wars**, and general economic and political conditions in the countries where we sell our products and services. Some of our products may contain encrypted technology, the export of which is regulated by the United States government. Changes in U. S. and other applicable export laws and regulations restricting the export of software or encryption technology could result in delays or reductions in our shipments of products internationally. There can be no assurance that we will be able to successfully address these challenges. Political, military, and other international developments can undermine bilateral cooperation in key policy areas, significantly disrupt trade, and otherwise adversely affect economic conditions. Recent events in eastern Europe and the Middle East present challenges and risks to us, and no assurances can be given that current or future developments would not have a material adverse effect on our business, results of operations and financial condition. The crises in eastern Europe and the Middle East ~~continues~~ **continue** to be a challenge to global companies, including us. We currently have ~~one~~ **an office with 48 employees** ~~employee~~ in Russia, a **dormant** customer in Russia, and customers located in the Middle East. The U. S. and other global governments have placed restrictions on how companies may transact with, and provide services or solutions to, parties in these regions, particularly Russia, Belarus and restricted areas in Ukraine. ~~No~~ **We are currently in the process of closing our office in Russia and terminating our agreement with our customer in Russia, and do not expect to incur material expenses in connection with such activities. We believe the closure and termination will help us comply with our obligations under the various requirements in the U. S. and around the world. While it is difficult to estimate the impact on our business and financial position of our augmented operations with respect to businesses in Russia, Belarus, the restricted areas in Ukraine, and in the Middle East and the current or future sanctions, such changes could have adverse impacts on us in future periods. In addition, no** assurances can be given that additional developments in the impacted regions, and responses thereto from the U. S. and other global governments, would not have a material adverse effect on our business, results of operations and financial condition. Risks Related to Our Products and Services Global economic conditions could reduce the demand for our products and services or otherwise adversely impact our cash flows, operating results and financial condition. For the foreseeable future, we expect to derive most of our revenue from products and services we provide to the banking and financial services industries. Given this focus, we are exposed to global economic conditions, and adverse economic trends that may accelerate the timing, or increase the impact of, risks to our financial performance. The global electronic payments industry and the banking and financial services industries depend heavily upon the overall levels of consumer, business and government spending. Adverse economic conditions such as those caused by ~~the a~~ **the** global economic downturn, the Russia- Ukraine conflict, ~~the COVID-19 pandemic~~, and the potential for disruptions in these industries as well as the general software sector could result in a decrease in consumers' use of banking services and financial service providers resulting in significant decreases in the demand for our products and services which could adversely affect our business and operating results. A lessening demand in either the overall economy, the banking

and financial services industry or the software sector could also result in the implementation by banks and related financial service providers of cost reduction measures or reduced capital spending resulting in longer sales cycles, deferral or delay of purchase commitments for our products and increased price competition which could lead to a material decrease in our future revenues and earnings. Our business may be negatively affected by domestic and global economic and credit conditions. Our business is sensitive to the strength of domestic and global economic and credit conditions, particularly as they affect, either directly or indirectly, the banking and financial services industries. Economic and credit conditions are influenced by a number of factors, including political conditions, consumer confidence, unemployment levels, interest rates, tax rates, commodity prices, and government actions to stimulate economic growth. 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, new tax legislation across multiple jurisdictions, modified or new global or regional trade agreements, uncertainty over further potential changes in Eurozone participation and fluctuations in oil and commodity prices, among other things, have created a challenging and unpredictable environment in which to market our products and services across our different geographies and industries. **A challenging economic environment could cause existing and potential customers to not purchase or to delay purchasing our products and services. Continued inflationary pressures could negatively impact our customers' ability to purchase our products and services, thereby negatively impacting our revenue and results of operations.** A negative or unpredictable economic climate could create uncertainty or financial pressures that impact the ability or willingness of our customers to make capital expenditures, thereby affecting their decision to purchase or roll out our products or services or to pay accounts receivable owed to us. Additionally, if customers respond to a negative or unpredictable economic climate by consolidation, it could reduce our base of potential customers. If our products and services fail to comply with legislation, government regulations, and industry standards to which our customers are subject, it could result in a loss of customers and decreased revenue. Legislation, governmental regulation, and industry standards affect how our business is conducted, and in some cases, could subject us to the possibility of future lawsuits arising from our products and services. Globally, legislation, governmental regulation and industry standards may directly or indirectly impact our current and prospective customers' activities, as well as their expectations and needs in relation to our products and services. For example, our products are affected by VISA, Mastercard and other major payment brand electronic payment standards that are generally updated twice annually. Beyond this, our products are affected by PCI Security Standards. As a provider of electronic data processing to financial institutions, we must comply with FFIEC regulations and are subject to FFIEC examinations. Legislation and regulation related to credit availability, data usage, privacy, or other related regulatory developments could have an adverse effect on our customers or us. **A heightened regulatory environment in the financial services industry may have an adverse impact on our clients and our business.** Laws and regulations concerning the handling of personal information are expanding and becoming more complex. Our failure, or perceived failure, to comply with these and other laws and regulations could adversely affect our business and harm our reputation. **Additionally, since the enactment of the Dodd- Frank Wall Street Reform and Consumer Protection Act, a number of substantial regulations affecting the supervision and operation of the financial services industry within the U. S. have been adopted, including those that establish the Consumer Financial Protection Bureau ("CFPB"). The CFPB has issued regulations and guidance under U. S. consumer financial protection laws that apply to, and conducts direct examinations of, "supervised banks and nonbanks" as well as "supervised service providers." CFPB rules, examinations and enforcement actions may require us to adjust our activities and may increase our compliance costs. Changes to applicable financial services laws or regulations could adversely impact our business. Furthermore, due to our increased use of the internet for sales and marketing, laws specifically governing digital commerce, the internet, mobile applications, search engine optimization, behavioral advertising, privacy and email marketing may have an impact on our business. Existing and future laws governing issues such as digital and social marketing, privacy, consumer protection or commercial email may limit our ability to market and provide our products and services.** Our software products may contain undetected errors or other defects, which could damage our reputation with customers, decrease profitability, and expose us to liability. Our software products are complex. Software may contain bugs or defects that could unexpectedly interfere with the operation of the software products when first introduced or as new versions are released. Additionally, errors could occur during our provision of services, including processing services such as our bill payment services and other services delivered through public or private cloud. Software defects or service errors may result in the loss of, or delay in, market acceptance of our products and services and a corresponding loss of sales or revenues. Customers depend upon our products and services for mission- critical applications, and product defects or service errors may hurt our reputation with customers. In addition, software product defects or errors could subject us to liability for damages, performance and warranty claims, **government inquiries or investigations, claims and litigation,** and fines or penalties from governmental authorities, which could be material. **We may incur additional costs or expenses to remediate the issues. The artificial intelligence technology incorporated into our products include new and evolving technologies that may present both legal and business risks. We have incorporated AI into our products. AI technologies are complex and rapidly evolving, and we face significant competition from other companies as well as an evolving legal and regulatory landscape. The incorporation of AI into our products may subject us to new or enhanced governmental or regulatory scrutiny, litigation, confidentiality or security risks, ethical concerns, or other complications that could harm our business, reputation, financial condition or results of operations. Intellectual property ownership and license rights, including copyright, surrounding AI technologies has not been fully addressed by federal or state laws or by U. S. courts, and the manner in which we configure and use these technologies may expose us to claims of copyright infringement or other intellectual property misappropriation. New laws have been adopted in the EU, and it is possible that new laws and regulations will be adopted in the United States and in other countries, or that existing laws and regulations will be interpreted in ways that would affect the operation of our solution and the way in which we use AI. Further, the cost to comply with such**

laws or regulations could be significant and would increase our operating expenses, which could harm our business, reputation, financial condition and results of operations. Uncertainty around and rapid evolution of AI technologies may require additional investment, including research and development of new approaches and processes, which could be costly and increase our expenses. AI can generate written content which contains bias, factual errors, misrepresentations, offensive language, or inappropriate statements. While we seek to use AI in a way that is designed to minimize these risks, there are still risks of such events occurring. Our failure to address these risks could harm our business, reputation, financial condition and results of operations. In addition, the use of AI involves significant technical complexity and requires specialized expertise, and competition for specialized personnel in the AI industry is intense. Any disruption or failure in our AI systems or infrastructure could result in delays or errors in our operations, which could harm our business, reputation, financial condition and results of operations. The use of AI by our workforce may present risks to our business. Our workforce is exposed to and uses AI technologies for certain tasks related to our business. We have guidelines specifically directed at the use of AI tools in the workplace. Nevertheless, our workforce may use these authorized or unauthorized tools, which poses potential risks relating to the protection of data, including cybersecurity risk, exposure of our proprietary confidential information to unauthorized recipients and the misuse of our or third- party intellectual property. Use of AI technology by our workforce even when used consistent with our guidelines, may result in allegations or claims against us related to violation of third- party intellectual property rights, unauthorized access to or use of proprietary information and failure to comply with open source software requirements. AI technology may also produce inaccurate responses that could lead to errors in our decision- making, solution development or other business activities, which could have a negative impact on our business, operating results and financial condition. Our ability to mitigate these risks will depend on our continued effective training, monitoring and enforcement of appropriate policies, guidelines and procedures governing the use of AI technology, and compliance by our workforce.

Risks Related to Legal, Regulatory, and Tax Matters If we fail to comply with the complex regulations applicable to our payments business, we could be subject to liability or our revenues may be reduced. ACI Payments, Inc. is licensed as a money transmitter in those states where such licensure is required. These licenses require us to demonstrate and maintain certain levels of net worth and liquidity, require us to file periodic reports and subject us to inspections by state regulatory agencies. In addition, our payment business is generally subject to federal regulation in the United States, including anti- money laundering regulations and certain restrictions on transactions to or from certain individuals or entities. The complexity of these regulations will continue to increase our cost of doing business. Any violations of these laws may also result in civil or criminal penalties against us and our officers or the prohibition against us providing money transmitter services in particular jurisdictions. We could also be forced to change our business practices or be required to obtain additional licenses or regulatory approvals that could cause us to incur substantial costs. In addition, our customers must ensure that our services comply with the government regulations, including the EU GDPR, and industry standards that apply to their businesses. Federal, state, foreign or industry authorities could adopt laws, rules, or regulations affecting our customers' businesses that could lead to increased operating costs that may lead to reduced market acceptance. In addition, action by regulatory authorities relating to credit availability, data usage, privacy, or other related regulatory developments could have an adverse effect on our customers and, therefore, could have a material adverse effect on our business, financial condition, and results of operations. Our business could be harmed if we fail to comply with privacy and cybersecurity laws and regulations imposed on providers of services to financial institutions. As a provider of services to financial institutions, we may be bound by the same limitations on disclosure of the information we receive from our customers as apply to the financial institutions themselves.

The processing of personal data and other types of information subjects us to a number of domestic and international laws that govern and regulate the processing of personal information and other types of protected data. These laws regulate and address a range of issues including data privacy (e. g., restrictions or technological or process requirements regarding the processing of data), cybersecurity (e. g., requirements for the protection of personal information against compromise of the confidentiality, integrity, or availability of personal information), breach notification, and data governance. These laws can vary substantially from jurisdiction to jurisdiction, and are rapidly evolving. We are subject to laws and regulations relating to the collection, use, retention, privacy, protection, security, and transfer of information, including personal information of our employees and customers. These laws and regulations may change or be interpreted and applied differently over time and from jurisdiction to jurisdiction, and it is possible they will be interpreted and applied in ways that will materially and adversely affect our business. These laws and other developments relating to cross- border data transfer could result in increased costs of compliance and limitations on our customers and us.

If we fail to comply with applicable laws and regulations, including the EU GDPR, CCPA, and other laws, we could be exposed to regulatory investigations and actions, lawsuits for breach of contract or to governmental or consumer claims, our customer relationships and reputation could be harmed, and we could be inhibited in our ability to obtain new customers. Compliance with these and new laws could involve substantial expenses and divert resources from other initiatives and projects. More restrictive privacy, **data protection** and cybersecurity laws adopted in the future could have an adverse impact on our business. U. S. and other banking agencies have adopted or proposed enhanced cyber risk management standards that would apply to us and our financial institution clients and that would address cyber risk governance and management, management of internal and external dependencies, and incident response, cyber resilience, and situational awareness. Several states in the U. S. have adopted or proposed new privacy and cybersecurity laws targeting these issues. Legislation and regulations on cybersecurity, data privacy, **data protection** and data localization may compel us to need to modify our systems, invest in new systems or alter our business practices or our policies on data governance and privacy. These actions could significantly increase our operational costs. Our risk management and information security programs are subject to oversight and periodic reviews by governmental agencies that regulate our business. In the event an examination of our information security and risk management functions results in

adverse findings, such findings could be made public or communicated to our regulated financial institution customers, which could have a material adverse effect on us. **If we fail to comply with the applicable requirements of the payment card networks and Nacha, they could seek to fine us, suspend us or terminate our registrations, which could adversely affect our business. In order to provide our transaction processing services, one or more of our subsidiaries are registered with Visa and Mastercard and other networks as a payment facilitator and / or a third- party sender. As such, we are subject to card association and network rules that could subject us or our clients to a variety of fines or penalties that may be levied by the card associations or networks for certain acts or omissions by us, processing clients or merchants. In addition, we are subject to Nacha rules relating to payment transactions processed by us using the ACH network and to various federal and state laws regarding such operations, including laws pertaining to electronic fund transfer, money transfer, as well as the Payment Card Industry Data Security Standard enforced by the major card brands. The rules of Nacha and the card networks are set by their respective boards, and the card network rules may be influenced by card issuers, some of which offer competing transaction processing services. If we fail to comply with these rules, we could be fined and our registrations or certifications could be suspended or terminated. The suspension or termination of our registrations or certifications, or any changes to the association and network rules, that we do not successfully address, or any other action by the card networks to restrict our ability to process transactions over such networks, could limit our ability to provide transaction processing services to clients and result in a reduction of revenue or increased costs of operation, which, in either case, could have a material adverse effect on our business and results of operations.** We are subject to consent orders and other compliance agreements (the “ Consent Orders and Compliance Agreements ”) entered into in connection with the settlement of state and federal regulators’ investigations. Failure to comply with the Consent Orders and Compliance Agreements could result in further, and more significant, enforcement actions against us. We are required to conduct our operations in compliance with the Consent Orders and Compliance Agreements. While we have complied with the Consent Orders and Compliance Agreements, and have implemented processes by which we believe we will maintain compliance with the Consent Orders and Compliance Agreements going forward, we cannot be certain that we will maintain compliance with the Consent Orders and Compliance Agreements in all instances. In the event that we are deemed to be non-compliant with the terms of the Consent Orders and / or Compliance Agreements, the state and / or federal regulators have the authority to subject us to additional, and potentially more significant, corrective actions and could seek to initiate further enforcement actions against us, including seeking civil money penalties. Any failure by us to comply with the terms of the Consent Orders and Compliance Agreements or additional actions could adversely affect our business, financial condition and results of operations. In addition, our competitors may not be subject to similar actions, which could limit our ability to compete effectively. We may face exposure to unknown tax liabilities, which could adversely affect our financial condition, cash flows and / or results of operations. We are subject to income and non- income based taxes in the United States and in various foreign jurisdictions. Significant judgment is required in determining our worldwide income tax liabilities and other tax liabilities. We believe that our tax- saving strategies comply with applicable tax law. If the governing tax authorities have a different interpretation of the applicable law and successfully challenge any of our tax positions, our financial condition, cash flows and / or results of operations could be adversely affected. Our U. S. companies are the subject of an examination by several state tax departments. Some of our foreign subsidiaries are currently the subject of a tax examination by the local taxing authorities. Other foreign subsidiaries could face challenges from various foreign tax authorities. It is not certain that the local authorities will accept our tax positions. We believe our tax positions comply with applicable tax law and intend to vigorously defend our positions. However, differing positions on certain issues could be upheld by foreign tax authorities, which could adversely affect our financial condition and / or results of operations. Changes in tax laws and regulations could adversely affect our results of operations and cash flows from operations. Our operations are subject to tax by federal, state, local, and international taxing jurisdictions. Changes in tax laws or their interpretations in our significant tax jurisdictions could materially increase the amount of taxes we owe, thereby negatively impacting our results of operations as well as our cash flows from operations. Additionally, future tax laws, regulations or guidance from the Internal Revenue Service, the Securities and Exchange Commission, or the Financial Accounting Standards Board could cause us to adjust current estimates in future periods, which could impact our earnings and have an adverse effect on our results of operations and cash flow. **Additionally, our tax returns and positions are subject to review and audit by federal, state, local and international taxing authorities. An unfavorable outcome to a tax audit could result in higher tax expense, thereby negatively impacting our results of operations as well as our cash flows from operations.** The U. S. Congress, the Organization for Economic Co- operation and Development (the “ OECD ”) and other government agencies in jurisdictions in which we do business remain focused on the taxation of multinational corporations. **Under the OECD Inclusive Framework, over 140 countries have agreed to implement a two- pillar solution to address the challenges posed by the digitalization of the economy.** The OECD, which represents a coalition of member countries, including the U. S., is contemplating changes to numerous longstanding tax principles, including ensuring all companies pay a 15 % global minimum tax through the enactment of Pillar Two **Framework Model Rules** (“ Pillar Two ”) and expanding taxing rights of market countries **introduces a 15 % global minimum effective tax rate for certain multinational groups.** **Although the U. S. has not yet adopted Pillar Two into law** is expected to be applicable to us beginning January 1, 2024; however, **several countries in which we operate have enacted tax legislation based on** the timing of implementation of Pillar Two **rules at framework. We continue to evaluate the impact of the these** local country level is uncertain **legislative changes as additional guidance becomes available.** **While** The specific Pillar Two **did not** measures requiring adoption will vary among participating countries. Significant **significantly impact us in 2024,** uncertainty remains regarding the implementation and impact of these initiatives, which could adversely affect our business or financial results **in future years.** Furthermore, our implementation of new practices and processes designed to comply with changing tax laws and regulations could require us to make substantial changes to our business practices, allocate additional resources, and increase our costs,

which could negatively affect our business, results of operations, and financial condition. Risks Related to Our Industry Consolidations and failures in the financial services industry may adversely impact the number of customers and our revenues in the future. Mergers, acquisitions, and personnel changes at key financial services organizations have the potential to adversely affect our business, financial condition, cash flows, and results of operations. Our business is concentrated in the financial services industry, making us susceptible to consolidation in, or contraction of, the number of participating institutions within that industry. Our stock price may be volatile. No assurance can be given that operating results will not vary from quarter to quarter, and past performance may not accurately predict future performance. Any fluctuations in quarterly operating results may result in volatility in our stock price. Our stock price may also be volatile, in part, due to external factors such as speculation regarding potential transactions, announcements by third parties or competitors, inherent volatility in the technology sector, variability in demand from our existing customers, failure to meet the expectations of market analysts, the level of our operating expenses, changing market conditions in the software industry, and the global economic downturn. In addition, the financial markets have experienced significant price and volume fluctuations that have particularly affected the stock prices of many technology companies and financial services companies, and these fluctuations sometimes are unrelated to the operating performance of these companies. Broad market fluctuations, as well as industry- specific and general economic conditions may adversely affect the market price of our common stock.

Risks Related to Our Financial Performance Our future profitability depends on demand for our products. Our revenue and profitability depend on the overall demand for our products and services. A significant portion of our total revenues result from licensing our Issuing and Acquiring solutions, including our BASE24 product line and providing related services and maintenance. Any reduction in demand for, or increase in competition with respect to, our Issuing and Acquiring solutions could have a material adverse effect on our financial condition, cash flows and / or results of operations. Failure to obtain renewals of customer contracts or obtain such renewals on favorable terms could adversely affect our results of operations and financial condition. Failure to achieve favorable renewals of customer contracts could negatively impact our business. Our contracts with our customers generally run for a period of five years, or three years in the case of certain acquired SaaS and PaaS contracts. At the end of the contract term, customers have the opportunity to renegotiate their contracts with us and to consider whether to engage one of our competitors to provide products and services. Failure to achieve high renewal rates on commercially favorable terms could adversely affect our results of operations and financial condition. The delay or cancellation of a customer project or inaccurate project completion estimates may adversely affect our operating results and financial performance. Any unanticipated delays in a customer project, changes in customer requirements or priorities during the project implementation period, or a customer' s decision to cancel a project, may adversely impact our operating results and financial performance. In addition, during the project implementation period, we perform ongoing estimates of the progress being made on complex and difficult projects and documenting this progress is subject to potential inaccuracies. Changes in project completion estimates are heavily dependent on the accuracy of our initial project completion estimates and our ability to evaluate project profits and losses. Any inaccuracies or changes in estimates resulting from changes in customer requirements, delays or inaccurate initial project completion estimates may result in increased project costs and adversely impact our operating results and financial performance.

Changes in card association and debit network fees or products could increase costs or otherwise limit our operations. From time to time, card associations and debit networks, including the card networks which we utilize, increase the processing and other fees (including what is commonly called “ interchange fees ”) that they charge. It is possible that competitive and other pressures will result in us absorbing a portion of such increases in the future, or not being able to increase our own fees, which would increase our operating costs, reduce our profit margin, limit our growth, and adversely affect our business, results of operations and financial condition. Our balance sheet includes significant amounts of goodwill and intangible assets. The impairment of a significant portion of these assets could negatively affect our financial results. Our balance sheet includes goodwill and intangible assets that represent a significant portion of our total assets at December 31, ~~2023~~ **2024**. On at least an annual basis, we assess whether there have been impairments in the carrying value of goodwill and intangible assets. If the carrying value of the asset is determined to be impaired, then it is written down to fair value by a charge to operating earnings. An impairment of a significant portion of goodwill or intangible assets could materially negatively affect our results of operations. Management' s backlog estimate may not be accurate and may not generate the predicted revenues. Estimates of future financial results are inherently unreliable. Our backlog estimates require substantial judgment and are based on a number of assumptions, including management' s current assessment of customer and third- party contracts that exist as of the date the estimates are made, as well as revenues from assumed contract renewals, to the extent that we believe that recognition of the related revenue will occur within the corresponding backlog period. A number of factors could result in actual revenues being less than the amounts reflected in backlog. Our customers or third- party partners may attempt to renegotiate or terminate their contracts for a number of reasons, including mergers, changes in their financial condition, or general changes in economic conditions within their industries or geographic locations, or we may experience delays in the development or delivery of products or services specified in customer contracts. Actual renewal rates and amounts may differ from historical experience used to estimate backlog amounts. Changes in foreign currency exchange rates may also impact the amount of revenue actually recognized in future periods. Accordingly, there can be no assurance that contracts included in backlog will actually generate the specified revenues or that the actual revenues will be generated within a 12- month or 60- month period. Additionally, because backlog estimates are operating metrics, the estimates are not required to be subject to the same level of internal review or controls as a U. S. generally accepted accounting principles (“ GAAP ”) financial measure. Our revenue and earnings are highly cyclical, our quarterly results fluctuate significantly, and we have revenue- generating transactions concentrated in the final weeks of a quarter which may prevent accurate forecasting of our financial results and cause our stock price to decline. Our revenue and earnings are highly cyclical causing significant quarterly fluctuations in our financial results. Revenue and operating results are usually strongest during the third and fourth fiscal quarters ending September 30 and December 31, primarily due to the sales and budgetary

cycles of our customers. We experience lower revenues, and possible operating losses, in the first and second quarters ending March 31 and June 30. Our financial results may also fluctuate from quarter to quarter and year to year due to a variety of factors, including changes in product sales mix that affect average selling prices, and the timing of customer renewals (any of which may impact the pattern of revenue recognition). In addition, large portions of our customer contracts are executed in the final weeks of each quarter. Before these contracts are executed, we create and rely on forecasted revenues for planning, modeling and earnings guidance. Forecasts, however, are only estimates and actual results may vary for a particular quarter or longer periods of time. Consequently, significant discrepancies between actual and forecasted results could limit our ability to plan, budget or provide accurate guidance, which could adversely affect our stock price. Any publicly- stated revenue or earnings projections are subject to this risk.

Risks Related to Financing Our outstanding debt contains restrictions and other financial covenants that limit our flexibility in operating our business. Our credit facility and the indenture governing our 5.750% Senior Notes due 2026 (“2026 Notes”) contain customary affirmative and negative covenants for debt of these types that limit our ability to engage in specified types of transactions. If an event of default occurs, the lenders, trustee, or holders of the 2026 Notes will be entitled to take various actions, including, but not limited to, demanding payment for all amounts outstanding. If adverse global economic conditions persist or worsen, we could experience decreased revenues from our operations attributable to reduced demand for our products and services and as a result, we could fail to satisfy the financial and other restrictive covenants to which we are subject under our existing debt, resulting in an event of default. If we are unable to cure the default or obtain a waiver, we will not be able to access our credit facility and there can be no assurance that we would be able to obtain alternative financing. See Note 4, Debt, to our Notes to Consolidated Financial Statements in Part IV, Item 15 of this Form 10-K for additional information. Our existing levels of debt and debt service requirements may adversely affect our financial condition or operational flexibility and prevent us from fulfilling our obligations under our outstanding indebtedness. Our level of debt could have adverse consequences for our business, financial condition, operating results and operational flexibility, including the following: (i) the debt level may cause us to have difficulty borrowing money in the future for working capital, capital expenditures, acquisitions or other purposes; (ii) our debt level may limit operational flexibility and our ability to pursue business opportunities and implement certain business strategies; (iii) we use a large portion of our operating cash flow to pay principal and interest on our credit facility and the 2026 Notes, which reduces the amount of money available to finance operations, acquisitions and other business activities; (iv) we have a higher level of debt than some of our competitors or potential competitors, which may cause a competitive disadvantage and may reduce flexibility in responding to changing business and economic conditions, including increased competition and vulnerability to general adverse economic and industry conditions; (v) some of our debt has a variable rate of interest, which exposes us to the risk of increased interest rates; (vi) there are significant maturities on our debt that we may not be able to fulfill or that may be refinanced at higher rates; and (vii) if we fail to satisfy our obligations under our outstanding debt or fail to comply with the financial or other restrictive covenants required under our credit facility and the 2026 Notes, an event of default could result that could cause all of our debt to become due and payable and could permit the lenders under our credit facility to foreclose on the assets securing such debt. Despite our current levels of debt, we may still incur substantially more debt, including secured debt, and similar liabilities, which would increase the risks described in these risk factors relating to indebtedness. Although the agreements governing our credit facility and our 2026 Notes include restrictions on our ability to incur additional debt, those agreements do not prohibit us from incurring additional debt or pursuing other financing arrangements. As a result, the amount of additional debt and other obligations that we could incur could be substantial. Accordingly, to the extent permitted under our credit agreement or indenture, we could incur significant additional debt, liabilities or similar obligations in the future. In addition, if we form or acquire any subsidiaries in the future, those subsidiaries also could incur debt or similar liabilities. If new debt or similar liabilities are added to our current debt levels, the related risks that we now face could increase. We may, from time to time, seek to opportunistically refinance, amend, reprice and / or otherwise replace any of our debt, obtain additional debt financing or enter into other financing arrangements, reduce or extend our debt, lower our interest payments or the cost of capital available to us under certain types of financing arrangements, or otherwise seek to improve our financial position or the terms of our debt or other financing agreements. These actions may include open market debt repurchases, negotiated repurchases, or other repayments, redemptions or retirements of our debt or other financing arrangements. The amount of debt that may be borrowed or issued, refinanced, and / or repurchased, repaid, redeemed or otherwise retired, if any, will depend on market conditions, trading levels of our debt, our cash position, compliance with our debt covenants and other considerations. Any such actions could impact our financial condition or results of operations.

General Risk Factors Our business and operating results could be adversely affected by events outside of our control, including natural disasters, wars and outbreaks of disease or other adverse public health developments. We may be impacted by natural disasters, wars, and outbreaks of disease or other adverse public health developments such as **pandemics** the COVID-19 coronavirus outbreak. These events could cause disruptions or restrictions on us, our partners and customers, including restrictions on travel, temporary closure of facilities, and other restrictions. Such disruptions or restrictions may result in delays or losses of sales and delays in the development or implementation of our products. These events could also result in a decrease in consumers’ use of our customers’ services, further adversely affecting our business and operating results. If our revenues or mix of revenues are below anticipated levels or if our operating results are below analyst or investor expectations, the market price of our common stock could be adversely affected. A significant percentage of our expenses, particularly personnel and facilities costs, are relatively fixed and based in part on anticipated revenue levels which can be difficult to predict. A decline in revenues without a corresponding and timely slowdown in expense growth could adversely affect our business. Significant revenue shortfalls in any quarter may cause significant declines in operating results since we may be unable to reduce spending in a timely manner. Quarterly or annual operating results that are below the expectations of public market analysts could adversely affect the market price of our common stock. Factors that could cause fluctuations in our operating results include: • a change in customer demand for our

products, which is highly dependent on our ability to continue to offer innovative technology solutions in very competitive markets; • the timing of customer orders; • the timing of product implementations, which are highly dependent on customers' resources and discretion; • overall economic conditions, which may affect our customers' and potential customers' budgets for information technology expenditures; • foreign exchange rate volatility, which can have a significant effect on our total revenues and costs when our foreign operations are translated to U. S. dollars; • the incurrence of costs relating to the integration of software products and operations in connection with acquisitions of technologies or businesses; and • the timing and market acceptance of new products or product enhancements by either us or our competitors. ~~21~~