

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

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 2025
OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____
Commission File Number 0-27512

CSG SYSTEMS INTERNATIONAL, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation or organization)

47-0783182
(I.R.S. Employer
Identification No.)

169 Inverness Dr W, Suite 300
Englewood, Colorado 80112
(Address of principal executive offices, including zip code)
(303) 200-2000
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, Par Value \$0.01 Per Share	CSGS	Nasdaq Stock Market LLC

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, 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 ☒

As of November 4, 2025, the registrant had 28,520,177 shares of common stock outstanding.

CSG SYSTEMS INTERNATIONAL, INC.
FORM 10-Q for the Quarter Ended September 30, 2025
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Item 1. Financial Information

CSG SYSTEMS INTERNATIONAL, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS - UNAUDITED
(in thousands)

	September 30, 2025	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 158,385	\$ 161,789
Settlement and merchant reserve assets	301,545	343,235
Trade accounts receivable:		
Billed, net of allowance of \$4,331 and \$3,041	268,024	266,903
Unbilled	86,064	80,173
Income taxes receivable	6,930	2,600
Other current assets	41,939	46,182
Total current assets	<u>862,887</u>	<u>900,882</u>
Non-current assets:		
Property and equipment, net of depreciation of \$143,445 and \$133,514	45,292	56,595
Operating lease right-of-use assets	17,353	24,166
Software, net of amortization of \$166,726 and \$154,648	22,897	19,927
Goodwill	323,909	316,041
Acquired customer contracts, net of amortization of \$145,489 and \$133,279	31,291	39,377
Customer contract costs, net of amortization of \$53,643 and \$44,587	69,877	60,809
Deferred income taxes	83,700	73,295
Other assets	16,313	9,595
Total non-current assets	<u>610,632</u>	<u>599,805</u>
Total assets	<u>\$ 1,473,519</u>	<u>\$ 1,500,687</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt	\$ -	\$ 7,500
Operating lease liabilities	5,982	11,067
Customer deposits	44,158	41,448
Trade accounts payable	42,466	36,370
Accrued employee compensation	66,414	67,944
Settlement and merchant reserve liabilities	298,419	341,924
Deferred revenue	60,184	54,424
Income taxes payable	566	7,802
Other current liabilities	<u>56,746</u>	<u>46,730</u>
Total current liabilities	<u>574,935</u>	<u>615,209</u>
Non-current liabilities:		
Long-term debt, net of unamortized discounts of \$11,394 and \$12,128	538,606	530,997
Operating lease liabilities	21,713	25,020
Deferred revenue	26,925	26,469
Income taxes payable	2,331	2,732
Deferred income taxes	69	94
Other non-current liabilities	<u>19,444</u>	<u>17,597</u>
Total non-current liabilities	<u>609,088</u>	<u>602,909</u>
Total liabilities	<u>1,184,023</u>	<u>1,218,118</u>
Stockholders' equity:		
Preferred stock, par value \$.01 per share; 10,000 shares authorized; zero shares issued and outstanding	-	-
Common stock, par value \$.01 per share; 100,000 shares authorized; 28,608 and 28,854 shares outstanding	722	718
Additional paid-in capital	532,082	518,215
Treasury stock, at cost; 42,286 and 41,583 shares	(1,238,633)	(1,194,224)
Accumulated other comprehensive income (loss):		
Cumulative foreign currency translation adjustments	(45,975)	(62,290)
Accumulated earnings	<u>1,041,300</u>	<u>1,020,150</u>
Total stockholders' equity	<u>289,496</u>	<u>282,569</u>
Total liabilities and stockholders' equity	<u>\$ 1,473,519</u>	<u>\$ 1,500,687</u>

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

CSG SYSTEMS INTERNATIONAL, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME - UNAUDITED
(in thousands, except per share amounts)

	Quarter Ended		Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Revenue	\$ 303,615	\$ 295,143	\$ 900,196	\$ 880,596
Cost of revenue (exclusive of depreciation, shown separately below)	157,534	149,487	462,172	460,266
Other operating expenses:				
Research and development	40,300	41,665	121,619	116,171
Selling, general and administrative	65,430	63,913	195,260	186,794
Depreciation	4,301	5,313	13,899	16,286
Restructuring and reorganization charges	5,591	2,943	17,547	12,040
Total operating expenses	273,156	263,321	810,497	791,557
Operating income	30,459	31,822	89,699	89,039
Other income (expense):				
Interest expense	(7,367)	(7,778)	(21,964)	(22,982)
Interest income	1,284	1,922	4,266	6,641
Loss on debt extinguishment	-	-	(453)	-
Other, net	1,964	(2,187)	(3,787)	(1,455)
Total other	(4,119)	(8,043)	(21,938)	(17,796)
Income before income taxes	26,340	23,779	67,761	71,243
Income tax provision	(5,857)	(4,691)	(18,881)	(18,859)
Net income	\$ 20,483	\$ 19,088	\$ 48,880	\$ 52,384
Weighted-average shares outstanding:				
Basic	27,627	28,362	27,762	28,475
Diluted	27,970	28,468	28,123	28,621
Earnings per common share:				
Basic	\$ 0.74	\$ 0.67	\$ 1.76	\$ 1.84
Diluted	0.73	0.67	1.74	1.83

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

CSG SYSTEMS INTERNATIONAL, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME - UNAUDITED
(in thousands)

	Quarter Ended		Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Net income	\$ 20,483	\$ 19,088	\$ 48,880	\$ 52,384
Other comprehensive income (loss), net of tax:				
Foreign currency translation adjustments	(4,083)	10,067	16,315	4,851
Other comprehensive income (loss), net of tax	(4,083)	10,067	16,315	4,851
Total comprehensive income, net of tax	\$ 16,400	\$ 29,155	\$ 65,195	\$ 57,235

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

CSG SYSTEMS INTERNATIONAL, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY - UNAUDITED
(in thousands)

	Shares of Common Stock Outstanding	Common Stock	Additional Paid-in Capital	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Accumulated Earnings	Total Stockholders' Equity
For the Nine Months Ended September 30, 2025:							
BALANCE, January 1, 2025	28,854	\$ 718	\$ 518,215	\$ (1,194,224)	\$ (62,290)	\$ 1,020,150	\$ 282,569
Comprehensive income:							
Net income	-	-	-	-	-	16,130	-
Foreign currency translation adjustments	-	-	-	-	6,823	-	-
Total comprehensive income	-	-	-	-	-	-	22,953
Repurchase of common stock	(358)	(2)	(12,807)	(9,427)	-	-	(22,236)
Issuance of common stock pursuant to employee stock purchase plan	15	-	769	-	-	-	769
Issuance of restricted common stock pursuant to stock-based compensation plans	608	6	(6)	-	-	-	-
Cancellation of restricted common stock issued pursuant to stock-based compensation plans	(15)	-	-	-	-	-	-
Stock-based compensation expense	-	-	8,404	-	-	-	8,404
Dividends	-	-	-	-	-	(9,364)	(9,364)
BALANCE, March 31, 2025	29,104	722	514,575	(1,203,651)	(55,467)	1,026,916	283,095
Comprehensive income:							
Net income	-	-	-	-	-	12,267	-
Foreign currency translation adjustments	-	-	-	-	13,575	-	-
Total comprehensive income	-	-	-	-	-	-	25,842
Repurchase of common stock	(289)	-	(976)	(17,246)	-	-	(18,222)
Issuance of common stock pursuant to employee stock purchase plan	12	-	676	-	-	-	676
Issuance of restricted common stock pursuant to stock-based compensation plans	69	-	-	-	-	-	-
Cancellation of restricted common stock issued pursuant to stock-based compensation plans	(19)	-	-	-	-	-	-
Stock-based compensation expense	-	-	8,549	-	-	-	8,549
Dividends	-	-	-	-	-	(9,219)	(9,219)
BALANCE, June 30, 2025	28,877	722	522,824	(1,220,897)	(41,892)	1,029,964	290,721
Comprehensive income:							
Net income	-	-	-	-	-	20,483	-
Foreign currency translation adjustments	-	-	-	-	(4,083)	-	-
Total comprehensive income	-	-	-	-	-	-	16,400
Repurchase of common stock	(279)	-	(243)	(17,736)	-	-	(17,979)
Issuance of common stock pursuant to employee stock purchase plan	15	-	800	-	-	-	800
Issuance of restricted common stock pursuant to stock-based compensation plans	6	1	(1)	-	-	-	-
Cancellation of restricted common stock issued pursuant to stock-based compensation plans	(11)	(1)	1	-	-	-	-
Stock-based compensation expense	-	-	8,701	-	-	-	8,701
Dividends	-	-	-	-	-	(9,147)	(9,147)
BALANCE, September 30, 2025	28,608	\$ 722	\$ 532,082	\$ (1,238,633)	\$ (45,975)	\$ 1,041,300	\$ 289,496

	Shares of Common Stock Outstanding	Common Stock	Additional Paid-in Capital	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Accumulated Earnings	Total Stockholders' Equity
For the Nine Months Ended September 30, 2024:							
BALANCE, January 1, 2024	29,541	\$ 713	\$ 490,947	\$ (1,136,055)	\$ (50,413)	\$ 968,134	\$ 273,326
Comprehensive income:							
Net income	-	-	-	-	-	19,467	-
Foreign currency translation adjustments	-	-	-	-	(4,975)	-	-
Total comprehensive income							14,492
Repurchase of common stock	(344)	(2)	(8,538)	(9,683)	-	-	(18,223)
Issuance of common stock pursuant to employee stock purchase plan	20	-	866	-	-	-	866
Issuance of restricted common stock pursuant to stock-based compensation plans	573	6	(6)	-	-	-	-
Cancellation of restricted common stock issued pursuant to stock-based compensation plans	(11)	-	-	-	-	-	-
Stock-based compensation expense	-	-	7,736	-	-	-	7,736
Dividends	-	-	-	-	-	(8,857)	(8,857)
BALANCE, March 31, 2024	29,779	717	491,005	(1,145,738)	(55,388)	978,744	269,340
Comprehensive income:							
Net income	-	-	-	-	-	13,829	-
Foreign currency translation adjustments	-	-	-	-	(241)	-	-
Total comprehensive income							13,588
Repurchase of common stock	(228)	-	(397)	(9,804)	-	-	(10,201)
Issuance of common stock pursuant to employee stock purchase plan	20	-	752	-	-	-	752
Issuance of restricted common stock pursuant to stock-based compensation plans	90	1	(1)	-	-	-	-
Cancellation of restricted common stock issued pursuant to stock-based compensation plans	(70)	(1)	1	-	-	-	-
Stock-based compensation expense	-	-	8,635	-	-	-	8,635
Dividends	-	-	-	-	-	(8,785)	(8,785)
BALANCE, June 30, 2024	29,591	717	499,995	(1,155,542)	(55,629)	983,788	273,329
Comprehensive income:							
Net income	-	-	-	-	-	19,088	-
Foreign currency translation adjustments	-	-	-	-	10,067	-	-
Total comprehensive income							29,155
Repurchase of common stock	(317)	-	(151)	(14,576)	-	-	(14,727)
Issuance of common stock pursuant to employee stock purchase plan	19	-	798	-	-	-	798
Issuance of restricted common stock pursuant to stock-based compensation plans	22	-	-	-	-	-	-
Cancellation of restricted common stock issued pursuant to stock-based compensation plans	(23)	-	-	-	-	-	-
Stock-based compensation expense	-	-	8,652	-	-	-	8,652
Dividends	-	-	-	-	-	(8,796)	(8,796)
BALANCE, September 30, 2024	29,292	\$ 717	\$ 509,294	\$ (1,170,118)	\$ (45,562)	\$ 994,080	\$ 288,411

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

CSG SYSTEMS INTERNATIONAL, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS - UNAUDITED
(in thousands)

	Nine Months Ended	
	September 30, 2025	September 30, 2024
Cash flows from operating activities:		
Net income	\$ 48,880	\$ 52,384
Adjustments to reconcile net income to net cash provided by operating activities-		
Depreciation	14,533	16,724
Amortization	39,874	37,467
Loss on debt extinguishment	453	-
Asset impairments	94	-
Loss on unrealized foreign currency transactions, net	547	225
Deferred income taxes	(9,093)	(189)
Stock-based compensation	25,654	25,023
Changes in operating assets and liabilities, net of acquired amounts:		
Trade accounts receivable, net	(9,132)	(7,873)
Other current and non-current assets and liabilities	(14,001)	(12,771)
Income taxes payable/receivable	(11,946)	(16,194)
Trade accounts payable and accrued liabilities	7,639	(48,858)
Deferred revenue	3,236	7,075
Net cash provided by operating activities	<u>96,738</u>	<u>53,213</u>
Cash flows from investing activities:		
Purchases of software, property, and equipment	(11,154)	(16,528)
Receipts from sale of software, property, and equipment	327	-
Business combinations, net of cash and settlement assets acquired of zero and \$46,432	-	17,293
Net cash provided by (used in) investing activities	<u>(10,827)</u>	<u>765</u>
Cash flows from financing activities:		
Proceeds from issuance of common stock	2,245	2,416
Payments of cash dividends	(27,415)	(26,598)
Repurchases of common stock	(58,525)	(42,439)
Deferred acquisition payments	(314)	(2,488)
Proceeds from long-term debt	150,625	15,000
Payments on long-term debt	(151,250)	(20,625)
Payments of debt financing costs	(2,258)	-
Payments on financing obligations	(5,513)	(2,191)
Settlement and merchant reserve activity	(43,671)	(79,806)
Net cash used in financing activities	<u>(136,076)</u>	<u>(156,531)</u>
Effect of exchange rate fluctuations on cash, cash equivalents, and restricted cash	<u>5,113</u>	<u>(337)</u>
Net decrease in cash, cash equivalents, and restricted cash	(45,052)	(102,890)
Cash, cash equivalents, and restricted cash, beginning of period	506,763	463,876
Cash, cash equivalents, and restricted cash, end of period	<u>\$ 461,711</u>	<u>\$ 360,986</u>
Supplemental disclosures of cash flow information:		
Cash paid during the period for-		
Interest	\$ 23,243	\$ 24,592
Income taxes	39,998	35,292
Non-cash investing and financing activities-		
Software, property, and equipment included in current and non-current liabilities	11,868	9,830
Reconciliation of cash, cash equivalents, and restricted cash:		
Cash and cash equivalents	\$ 158,385	\$ 118,444
Settlement and merchant reserve assets	301,545	240,755
Restricted cash included in current and non-current assets	1,781	1,787
Total cash, cash equivalents, and restricted cash	<u>\$ 461,711</u>	<u>\$ 360,986</u>

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

CSG SYSTEMS INTERNATIONAL, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

1. GENERAL

CSG Systems International, Inc. (the "Company", "CSG", or forms of the pronoun "we") have prepared the accompanying unaudited condensed consolidated financial statements as of September 30, 2025 and December 31, 2024, and for the quarters and nine months ended September 30, 2025 and 2024, in accordance with accounting principles generally accepted in the United States of America ("U.S.") ("GAAP") for interim financial information, and pursuant to the instructions to Form 10-Q and the rules and regulations of the Securities and Exchange Commission (the "SEC"). Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of our management, all adjustments (consisting only of normal recurring adjustments) considered necessary for a fair presentation of our financial position and operating results have been included. The unaudited Condensed Consolidated Financial Statements (the "Financial Statements") should be read in conjunction with the Consolidated Financial Statements and notes thereto, together with Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A"), contained in our Annual Report on Form 10-K for the year ended December 31, 2024 (our "2024 10-K"), filed with the SEC. The results of operations for the quarter and nine months ended September 30, 2025 are not necessarily indicative of the expected results for the entire year ending December 31, 2025.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates in Preparation of Financial Statements. The preparation of our Financial Statements requires management to make estimates and assumptions that may affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of our Financial Statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from those estimates.

Revenue. As of September 30, 2025, our aggregate amount of the transaction price allocated to the remaining performance obligations was approximately \$2.2 billion, which is made up of fixed fee consideration and guaranteed minimums expected to be recognized in the future related to performance obligations that are unsatisfied (or partially unsatisfied). We expect to recognize over 65% of this amount by the end of 2028, with the remaining amount recognized by the end of 2036. We have excluded from this amount variable consideration expected to be recognized in the future related to performance obligations that are unsatisfied. The majority of our future revenue is related to our SaaS and related solutions customer contracts that include variable consideration dependent upon a series of monthly volumes and/or daily usage of services and have contractual terms ending from 2025 through 2036. Our customer contracts may include guaranteed minimums and fixed monthly or annual fees.

The nature, amount, timing, and uncertainty of our revenue and how revenue and cash flows are affected by economic factors is most appropriately depicted by revenue type, geographic region, and customer vertical.

Revenue by type for the quarters and nine months ended September 30, 2025 and 2024 was as follows (in thousands):

	Quarter Ended		Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
SaaS and related solutions	\$ 274,965	\$ 263,701	\$ 814,453	\$ 788,054
Software and services	16,804	19,705	51,717	56,780
Maintenance	11,846	11,737	34,026	35,762
Total revenue	\$ 303,615	\$ 295,143	\$ 900,196	\$ 880,596

We use the location of the customer as the basis of attributing revenue to geographic regions. Revenue by geographic region for the quarters and nine months ended September 30, 2025 and 2024, as a percentage of our total revenue, was as follows:

	Quarter Ended		Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Americas (principally the U.S.)	85%	88%	86%	88%
Europe, Middle East, and Africa	10%	9%	10%	8%
Asia Pacific	5%	3%	4%	4%
Total revenue	100%	100%	100%	100%

We generate our revenue primarily from the global communications markets; however, we serve an expanding group of customers in other markets including retail, financial services, healthcare, insurance, and government entities. Revenue by customer vertical for the quarters and nine months ended September 30, 2025 and 2024, as a percentage of our total revenue, was as follows:

	Quarter Ended		Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Broadband/Cable/Satellite	51%	53%	51%	52%
Telecommunications	18%	18%	18%	18%
Other	31%	29%	31%	30%
Total revenue	100%	100%	100%	100%

Deferred revenue recognized during the quarters ended September 30, 2025 and 2024 was \$12.2 million and \$8.6 million, respectively. Deferred revenue recognized during the nine months ended September 30, 2025 and 2024 was \$45.2 million and \$38.4 million, respectively.

On July 5, 2025, we terminated a master services agreement (the "MSA") for one of our implementation projects in the Latin America region on the basis that the customer unlawfully renounced its obligations under the MSA. During the third quarter of 2025, we stopped implementation work on the project. Through the termination date, we recognized \$1.4 million in revenue during 2025 related to this project. As of September 30, 2025, we had accounts receivable of \$18.1 million (\$1.3 million billed and \$16.8 million unbilled) related to this implementation project and we intend to pursue any and all available remedies to recover the amounts outstanding. As of the date of this filing, we do not believe there has been an impairment to the carrying values of the assets and believe such amounts are recoverable per the terms of the MSA or as a matter of common law.

Cash and Cash Equivalents. We consider all highly liquid investments with original maturities of three months or less as of the date of purchase to be cash equivalents. As of September 30, 2025 and December 31, 2024, our cash equivalents consist primarily of institutional money market funds and time deposits held at major banks. For the cash and cash equivalents denominated in foreign currencies and/or located outside the U.S., we do not anticipate any material amounts being unavailable for use in running our business, but may face limitations on moving cash out of certain foreign jurisdictions due to currency controls and potential negative economic consequences.

Restricted Cash. Restricted cash includes cash that is legally or contractually restricted, as well as our settlement and merchant reserve assets (discussed below). The nature of the restrictions on our settlement and merchant reserve assets consists of contractual restrictions with the merchants and restrictions arising from our policy and intention. It has historically been our policy to segregate settlement and merchant reserve assets from our operating cash balances, and our intention is to continue to do so. As of September 30, 2025 and December 31, 2024, we had \$1.8 million and \$1.7 million, respectively, of restricted cash that mainly serves to collateralize bank and performance guarantees included in other non-current assets on our unaudited Condensed Consolidated Balance Sheets ("Balance Sheets" or "Balance Sheet").

Settlement and Merchant Reserve Assets and Liabilities. Settlement assets and settlement liabilities represent cash collected on behalf of merchants via payments processing services which is held for an established holding period until settlement with the customer. The holding period is generally one to four business days depending on the payment model and contractual terms with the customer. During the holding period, cash is subject to restriction and segregation based on the nature of our custodial relationship with the merchants. Should we fail to remit these funds to our merchants, the merchant's sole recourse for payment would be against us. These rights and obligations are set forth in the contracts between us and the merchants. Settlement assets are held with various major financial institutions, and a corresponding liability is recorded for the amounts owed to the customer. At any given time, there may be differences between the cash held and the corresponding liability due to the timing of operating-related cash transfers.

Merchant reserve assets/liabilities represent deposits collected from merchants to mitigate our risk of loss due to nonperformance of settlement obligations initiated by those merchants using our payments processing services, or non-payment by customers for services rendered by us. We perform a credit risk evaluation on each customer based on multiple criteria, which provides the basis for the deposit amount required for each merchant. For the duration of our relationship with each merchant, we hold their reserve deposits with major financial institutions. We hold these funds in separate accounts, which are offset by corresponding liabilities.

The following table summarizes our settlement and merchant reserve assets and liabilities as of the indicated periods (in thousands):

	September 30, 2025		December 31, 2024	
	Assets	Liabilities	Assets	Liabilities
Settlement assets/liabilities	\$ 291,976	\$ 288,889	\$ 330,769	\$ 329,458
Merchant reserve assets/liabilities	9,569	9,530	12,466	12,466
Total	\$ 301,545	\$ 298,419	\$ 343,235	\$ 341,924

Financial Instruments. Our financial instruments as of September 30, 2025 and December 31, 2024 include cash and cash equivalents, settlement and merchant reserve assets and liabilities, accounts receivable, accounts payable, and debt. Due to their short maturities, the carrying amounts of cash equivalents, settlement and merchant reserve assets and liabilities, accounts receivable, and accounts payable approximate their fair value. As of September 30, 2025 we had \$15.2 million of cash held in institutional money market funds, which are considered Level 1 investments. Realized and unrealized gains and losses were not material in any period presented.

We have chosen not to record our debt at fair value, with changes recognized in earnings each reporting period. The following table indicates the carrying value and estimated fair value of our debt as of the indicated periods (in thousands):

	September 30, 2025		December 31, 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
2025 Credit Agreement (carrying value)	\$ 125,000	\$ 125,000	\$ -	\$ -
2023 Convertible Notes (par value)	425,000	472,621	425,000	429,144
2021 Credit Agreement (carrying value including current maturities)	-	-	125,625	125,625

The fair value of our convertible notes was estimated based upon quoted market prices or recent sales activity, while the fair values of our credit agreements were estimated using a discounted cash flow methodology, both of which are considered Level 2 inputs. See Note 5 for a discussion regarding our debt.

New Tax Legislation. The One Big Beautiful Bill Act ("OBBBA") was enacted on July 4, 2025. The effects of changes in tax laws, including retroactive provisions, are recognized in the financial statements in the period of enactment. Accordingly, the impact of the OBBBA has been reflected in our results for the current quarter. While the legislation is not expected to materially affect our effective tax rate, we have recorded preliminary adjustments and continue to evaluate the potential implications for our deferred tax balances and cash flows.

Accounting Pronouncements Issued but Not Yet Effective. In December 2023, the Financial Accounting Standards Board ("FASB") issued ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* ("ASU 2023-09"), which requires entities to disclose more detailed information about their effective tax rate reconciliation as well as information on income taxes paid. ASU 2023-09 is effective for annual periods beginning after December 15, 2024. The adoption of this standard only impacts disclosures and is not expected to have a material impact on our Financial Statements.

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40)* ("ASU 2024-03"), which requires entities to disclose disaggregated information about certain income statement expense line items in the notes to their financial statements on an annual and interim basis. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027, with early adoption permitted. We are currently in the process of evaluating the impact of this ASU on our Financial Statements and related disclosures.

In September 2025, the FASB issued ASU No. 2025-06, *Intangibles - Goodwill and Other - Internal-Use Software Topic 350-40: Targeted Improvements to the Accounting for Internal-Use Software*, which will update the requirements around the capitalization and disclosure of internal-use software. ASU 2025-06 is effective for annual periods beginning after December 15, 2027, and for interim periods within those fiscal years, with early adoption permitted. We are currently in the process of evaluating the impact of this ASU on our Financial Statements and related disclosures.

3. SEGMENT REPORTING AND CUSTOMER CONCENTRATION

Segment Information. Our Chief Operating Decision Maker ("CODM") is our President and Chief Executive Officer. We have evaluated how our CODM has organized the Company for purposes of making operating decisions, preparing budgets and forecasts, setting targets, allocating resources, and assessing performance. Our CODM manages all business activities on a consolidated basis, and as a result, we have concluded that as of September 30, 2025, there is one reportable segment.

As our one segment is managed on a consolidated basis, our measure of segment profit or loss is consolidated net income. Our CODM uses consolidated net income to assess the performance of our one segment and decide how and where to allocate resources and reinvest profits into the business in areas such as research and development ("R&D"), business and/or asset acquisitions, investments in market share expansion with our existing and potential new customers, talent, technology, the repurchase of our common stock, and/or the payment of dividends. Net income, and components of net income, are used to monitor actual performance and are compared to budgeted and forecasted results to assess the performance of our one segment, set targets, and establish management's incentive compensation. The measure of consolidated segment assets is reported on our Balance Sheets as total assets. We do not have intra-entity sales or transfers.

We regularly provide our CODM a reporting package that shows our results by functional expense, similar to our Income Statements. However, for purposes of this reporting package, depreciation is included in these functional expense categories, rather than broken out separately. Additionally, certain expenses such as restructuring and reorganization charges, executive transition costs, and acquisition-related charges, along with non-cash charges such as stock-based compensation and amortization of acquired intangibles, are excluded. The following table provides the significant expenses that are regularly provided to our CODM for our one segment, the required disclosable amounts that are included in consolidated net income, and a reconciliation to consolidated net income for the quarters and nine months ended September 30, 2025 and 2024:

	Quarter Ended		Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Revenue	\$ 303,615	\$ 295,143	\$ 900,196	\$ 880,596
Less:				
Cost of revenue:				
Transaction fees	24,333	22,524	78,100	71,793
All other (1)	131,384	125,319	379,243	386,564
Total cost of revenue	155,717	147,843	457,343	458,357
Research and development (1)	39,631	40,498	119,069	114,421
Selling and marketing (1)	26,223	28,037	80,098	85,625
General and administrative (1)	27,546	28,690	83,241	81,109
Restructuring and reorganization charges (1)	5,591	2,943	17,547	12,040
Stock-based compensation	8,818	8,759	26,292	25,821
Other segment items (2)	6,382	6,816	26,881	8,998
Interest expense	7,367	7,778	21,964	22,982
Income tax provision	5,857	4,691	18,881	18,859
Segment net income	20,483	19,088	48,880	52,384
Reconciliation of profit or loss:				
Adjustments and reconciling items	-	-	-	-
Consolidated net income	\$ 20,483	\$ 19,088	\$ 48,880	\$ 52,384

(1) These functional expense lines include depreciation expense, which is presented separately on our Income Statements.

(2) Other segment items include acquisition-related costs (transaction-related costs, earn-out compensation, and amortization of acquired intangible assets), executive transition costs, interest income, loss on extinguishment of debt, and foreign currency gains/losses.

Depreciation expense and interest income are separately disclosed on our Income Statements. Amortization expense is separately disclosed on our Statements of Cash Flows and is discussed in Note 4.

4. GOODWILL AND INTANGIBLE ASSETS

Goodwill. The changes in the carrying amount of goodwill for the nine months ended September 30, 2025 were as follows (in thousands):

January 1, 2025, balance	\$ 316,041
Effects of changes in foreign currency exchange rates	7,868
September 30, 2025, balance	\$ 323,909

Other Intangible Assets. Our other intangible assets subject to ongoing amortization consist of acquired customer contracts and software. As of September 30, 2025 and December 31, 2024, the carrying values of these assets were as follows (in thousands):

	September 30, 2025			December 31, 2024		
	Gross Carrying Amount	Accumulated Amortization	Net Amount	Gross Carrying Amount	Accumulated Amortization	Net Amount
Acquired customer contracts	\$ 176,780	\$ (145,489)	\$ 31,291	\$ 172,656	\$ (133,279)	\$ 39,377
Software	189,623	(166,726)	22,897	174,575	(154,648)	19,927
Total other intangible assets	\$ 366,403	\$ (312,215)	\$ 54,188	\$ 347,231	\$ (287,927)	\$ 59,304

The total amortization expense related to other intangible assets for the third quarters of 2025 and 2024 was \$6.8 million and \$7.1 million, respectively, and for the nine months ended September 30, 2025 and 2024 were \$20.1 million and \$18.8 million, respectively. Based on the September 30, 2025 net carrying value of our intangible assets, the estimated total amortization expense for each of the five succeeding fiscal years ending December 31 will be: 2025 - \$26.9 million; 2026 - \$20.1 million; 2027 - \$10.0 million; 2028 - \$5.7 million; and 2029 - \$4.1 million.

Customer Contract Costs. As of September 30, 2025 and December 31, 2024, the carrying values of our customer contract cost assets, related to those contracts with a contractual term greater than one year, were as follows (in thousands):

	September 30, 2025			December 31, 2024		
	Gross Carrying Amount	Accumulated Amortization	Net Amount	Gross Carrying Amount	Accumulated Amortization	Net Amount
Customer contract costs	\$ 123,520	\$ (53,643)	\$ 69,877	\$ 105,396	\$ (44,587)	\$ 60,809

The total amortization expense related to customer contract costs for the third quarters of 2025 and 2024 was \$5.9 million and \$5.4 million, respectively, and for the nine months ended September 30, 2025 and 2024 was \$15.3 million and \$16.1 million, respectively.

5. DEBT

As of September 30, 2025 and December 31, 2024, our long-term debt was as follows (in thousands):

	September 30, 2025	December 31, 2024
2025 Credit Agreement:		
\$600 million revolving loan facility, due March 2030, interest at adjusted SOFR plus applicable margin (combined rate of 5.496% at September 30, 2025)	\$ 125,000	\$ -
Less – deferred financing costs	(2,805)	-
2025 Term Loan, net of unamortized discounts	122,195	-
2023 Convertible Notes:		
2023 Convertible Notes – senior unsecured convertible notes, due September 2028, cash interest at 3.875%	425,000	425,000
Less – deferred financing costs	(8,589)	(10,618)
2023 Convertible Notes, net of unamortized discounts	416,411	414,382
2021 Credit Agreement:		
2021 Term Loan, due September 2026, interest at adjusted SOFR plus applicable margin	-	125,625
Less – deferred financing costs	-	(1,510)
2021 Term Loan, net of unamortized discounts	-	124,115
\$450 million revolving loan facility, due September 2026, interest at adjusted SOFR plus applicable margin	-	-
Total debt, net of unamortized discounts	538,606	538,497
Current portion of long-term debt	-	(7,500)
Long-term debt, net of unamortized discounts	\$ 538,606	\$ 530,997

2025 Credit Agreement. In March 2025, we entered into a \$600.0 million five-year debt arrangement (the "2025 Credit Agreement") with a consortium of banks. The 2025 Credit Agreement consists of a \$600.0 million aggregate principal five-year revolving loan facility (the "2025 Revolver") due March 2030 (subject to a springing maturity of 91 days prior to the maturity date of certain of our long-term indebtedness if, on such date, the aggregate principal amount of such indebtedness equals or exceeds \$127.0 million and 50% of consolidated EBITDA (subject to certain exceptions as defined in the 2025 Credit Agreement)). The 2025 Credit Agreement replaced our \$600.0 million five-year credit agreement entered into in September 2021 (the "2021 Credit Agreement"), which consisted of: (i) \$150.0 million aggregate principal five-year term loan (the "2021 Term Loan"); and (ii) \$450.0 million revolving loan facility (the "2021 Revolver").

Upon execution of the 2025 Credit Agreement, we withdrew \$140.6 million from the 2025 Revolver. These funds were used to repay: (i) the outstanding \$125.6 million balance of 2021 Term Loan; (ii) the outstanding \$10.0 million balance of 2021 Revolver that we withdrew during the first quarter of 2025; and (iii) certain fees and expenses in connection with the new debt arrangement, with the remainder to be used for general corporate purposes.

The interest rates under the 2025 Credit Agreement are based upon our choice of an adjusted Secured Overnight Financing Rate ("SOFR") plus an applicable margin of 1.375% - 2.125%, or an alternate base rate ("ABR") plus an applicable margin of 0.375% - 1.125%, with the applicable margin dependent upon our then-net secured total leverage ratio. We pay a commitment fee of 0.150% - 0.325% of the average daily unused amount of the 2025 Revolver, with the commitment fee rate also dependent upon our then-net secured total leverage ratio.

The 2025 Credit Agreement requires quarterly commitment fee payments and interest payments based on the interest election period. The 2025 Credit Agreement contains certain customary prepayment or repayment provisions. As specified in the 2025 Credit Agreement, if certain customary events were to occur, we may be required to pay all amounts outstanding under the 2025 Credit Agreement, together with interest payable thereon.

The 2025 Credit Agreement contains customary affirmative covenants. In addition, the 2025 Credit Agreement has customary negative covenants that places limits on our ability to: (i) incur additional indebtedness; (ii) create liens on its property; (iii) make investments; (iv) enter into mergers and consolidations; (v) sell assets; (vi) declare dividends or repurchase shares; (vii) engage in certain transactions with affiliates; (viii) prepay certain indebtedness; and (ix) issue capital stock of subsidiaries. We must also meet a total net leverage ratio financial covenant.

During the nine months ended September 30, 2025, we repaid \$0.6 million. As of September 30, 2025, we had \$125.0 million outstanding on our 2025 Revolver, and had issued standby letters of credit of \$0.2 million that count against our available 2025 Revolver balance, leaving \$474.8 million available to us.

In conjunction with the closing of the 2025 Credit Agreement, we incurred total debt financing costs of \$2.3 million. As certain lenders from the 2021 Credit Agreement chose not to participate in the 2025 Credit Agreement we recognized a loss on extinguishment of \$0.5 million, which related to the write-off of unamortized debt issuance costs. The remaining \$0.9 million of unamortized debt issuance costs related to the 2021 Credit Agreement, when combined with the \$2.3 million of debt financing costs related to 2025 Credit Agreement, totaled \$3.2 million and are being amortized to interest expense over the term of the 2025 Credit Agreement.

2023 Convertible Notes. The 2023 Convertible Notes will be convertible at the option of the noteholders before June 15, 2028, upon the occurrence of certain events. On or after June 15, 2028, and until the close of business on the second scheduled trading day immediately preceding September 15, 2028, the maturity date, noteholders may convert all or any portion of their notes at any time regardless of these conditions.

The 2023 Convertible Notes will be convertible at an initial conversion rate of 14.0753 shares of our common stock per \$1,000 principal amount of the 2023 Convertible Notes, which is equivalent to an initial conversion price of \$71.05 per share of our common stock, plus carryforward adjustments not yet effected pursuant to the terms of the indenture governing the 2023 Convertible Notes. Under the terms of the 2023 Convertible Notes, we will adjust the conversion rate for any quarterly dividends exceeding \$0.28 per share.

We are required to satisfy our conversion obligation as follows: (i) paying cash up to the aggregate principal amount of notes to be converted; and (ii) to the extent the value of our conversion obligation exceeds the par value, we will satisfy the remaining conversion obligation in our common stock, cash, or a combination thereof, at our election. As of September 30, 2025, none of the conditions to early convert have been met.

We may not redeem the 2023 Convertible Notes prior to September 21, 2026. On or after September 21, 2026, we may redeem for cash all or part of the 2023 Convertible Notes, subject to a partial redemption limitation that requires at least \$100.0 million of the principal amount of the 2023 Convertible Notes to remain outstanding if the last reported sales price of our common stock has been at least 130% of the conversion price then in effect for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period (including the last trading day of such period) ending on, and including, the trading day immediately preceding the date on which we provide notice of redemption. The redemption price will equal the principal amount of the 2023 Convertible Notes to be redeemed, plus accrued and unpaid interest to, but excluding, the redemption date. No sinking fund has been established for the 2023 Convertible Notes.

In connection with the pricing of the 2023 Convertible Notes, we entered into privately negotiated capped call transactions (the "Capped Call Transactions") with certain of the initial purchasers of the 2023 Convertible Notes and other financial institutions (collectively, the "Option Counterparties"). As of September 30, 2025, all the Capped Call Transactions were outstanding and cover, subject to anti-dilution adjustments substantially similar to those applicable to the 2023 Convertible Notes, 5.98 million shares of our common stock, the same number of shares of common stock underlying the 2023 Convertible Notes. The Capped Call Transactions will expire upon the maturity of the 2023 Convertible Notes.

Other. We finance certain of our internal use software. During the nine months ended September 30, 2025, we entered into financing agreements at a total cost of \$8.6 million with payments through 2030. As of September 30, 2025 and December 31, 2024, we had \$11.9 million and \$8.5 million, respectively, outstanding under these agreements, of which \$6.8 million and \$4.2 million, respectively, were included in current liabilities and \$5.1 million and \$4.3 million, respectively, were included in non-current liabilities on our Balance Sheets. These arrangements are treated as non-cash investing and financing activities for purposes of our Condensed Consolidated Statements of Cash Flows ("Statements of Cash Flows").

6. ACQUISITIONS

iCheckGateway.com, LLC. On June 3, 2024, we acquired 100% of the equity of iCheckGateway.com, LLC ("iCG"), an ACH and credit card payment processing company. We acquired iCG to further expand the industry verticals we serve and to provide opportunities for the continued growth of our business. The acquisition date fair value of the consideration transferred was \$17.6 million in cash paid upon close.

The iCG acquisition includes provisions for up to \$15.0 million of potential future earn-out payments. The earn-out payments are tied to performance-based goals and a defined service period and are accounted for as post-acquisition compensation, as applicable. The earn-out period is through June 3, 2027. During the nine months ended September 30, 2025, we made earn-out payments of \$5.0 million. As of September 30, 2025, we have accrued \$4.4 million related to future earn-out payments.

DGIT Systems Pty Ltd. On October 4, 2021, we acquired DGIT Systems Pty Ltd ("DGIT"), a provider of configure, price and quote (CPQ), and order management solutions for the telecommunications industry. We acquired 100% of the equity of DGIT for a purchase price of approximately \$16 million, approximately \$14 million paid upon close and the remaining consideration of approximately \$2 million to be paid through 2025, subject to certain reductions, as applicable. During the first quarter of 2025, we made the final deferred purchase price payment of \$0.3 million.

The DGIT acquisition includes provisions for up to approximately \$12 million of potential future earn-out payments. The earn-out payments are tied to performance-based goals and a defined service period and are accounted for as post-acquisition compensation, as applicable. The earn-out period is through December 31, 2026. Through September 30, 2025, \$0.4 million of the earn-out had been achieved and was paid, including \$0.1 million paid in the first quarter of 2025. As of September 30, 2025, we have accrued \$10.3 million related to future earn-out payments.

7. RESTRUCTURING AND REORGANIZATION CHARGES

During the third quarters of 2025 and 2024, we recorded restructuring and reorganization charges of \$5.6 million and \$2.9 million, respectively, and for the nine months ended September 30, 2025 and 2024, we recorded restructuring and reorganization charges of \$17.5 million and \$12.0 million, respectively.

During the nine months ended September 30, 2025, we implemented the following restructuring and reorganizational activities:

- We reduced our global workforce by approximately 270 employees, as part of reorganization activities focused on cost efficiency actions to optimize our capacity and better align our resources. As a result, we incurred restructuring and reorganization charges related to involuntary terminations of \$11.9 million.
- At the end of March 2025, we announced our plans to close our design and delivery center in Crawfordville, Florida in August 2025. All processing volumes done at this location were transitioned to our two other design and delivery facilities. The closing of this facility will result in the elimination of approximately 100 employees in Florida, which began in June 2025. Additional hires will be made at the other locations to absorb the additional volumes. As of September 30, 2025, all impacted employees have been notified and the related severance costs are being accrued over each employee's respective service period, which resulted in \$2.3 million of expense during the nine months ended September 30, 2025. The total estimated cost of this facility closure, to include involuntary termination benefits, relocation costs, accelerated depreciation, and decommissioning work is expected to be approximately \$5.5 million. As of September 30, 2025, we have incurred total expenses of \$4.5 million, with the majority of the remaining costs expected to be incurred during the remainder of 2025.

The activity in the restructuring and reorganization reserves during the nine months ended September 30, 2025 was as follows (in thousands):

	Termination Benefits	Other	Total
January 1, 2025, balance	\$ 1,202	\$ 2,520	\$ 3,722
Charged to expense during period	14,172	3,375	17,547
Cash payments	(13,023)	(3,907)	(16,930)
Adjustment for asset impairment	-	(94)	(94)
Adjustment for accelerated depreciation	-	(634)	(634)
Other	(768)	-	(768)
September 30, 2025, balance	\$ 1,583	\$ 1,260	\$ 2,843

During the first quarter of 2025, we paid \$1.3 million related to the exit of a reseller agreement that was acquired with the acquisition of Forte Payment Systems, Inc. in 2018.

As of September 30, 2025, all restructuring and reorganization reserves were included in current liabilities.

8. COMMITMENTS, GUARANTEES AND CONTINGENCIES

Service Agreements. In March 2025, we extended our agreement with Ensono, Inc. to provide us with outsourced computing services through December 31, 2032. In September 2025, we entered into a Restatement Work Order, which among other things, accelerated the mainframe hardware refresh for our outsourced data center environment, which is now expected to be completed during the first quarter of 2026.

Guarantees. In the ordinary course of business, we may provide guarantees in the form of bid bonds or performance bonds. As of September 30, 2025, we had \$1.8 million of restricted assets used to collateralize these guarantees, which are included in other non-current assets on our Balance Sheet.

We have performance guarantees in the form of surety bonds and standby letters of credit, along with money transmitter bonds, issued through third-parties that are not required to be reflected on our Balance Sheets. As of September 30, 2025, we had performance guarantees of \$3.9 million, which includes \$0.2 million in a standby letter of credit. We are ultimately liable for claims that may occur against these guarantees. We have no history of material claims or are aware of circumstances that would require us to pay under any of these arrangements. We also believe that the resolution of any claim that may arise in the future, either individually or in the aggregate, would not be material to our Financial Statements. As of September 30, 2025, we had total aggregate money transmitter bonds of \$24.0 million outstanding. These money transmitter bonds are for the benefit of various states to comply with the states' financial requirements and industry regulations for money transmitter licenses.

Warranties. We generally warrant that our solutions and related offerings will conform to published specifications, or to specifications provided in an individual customer arrangement, as applicable. The typical warranty period is 90 days from the date of acceptance of the solution or offering. For certain service offerings we provide a warranty for the duration of the services provided. We generally warrant that those services will be performed in a professional and skillful manner. The typical remedy for breach of warranty is to correct or replace any defective deliverable, and if not possible or practical, we will accept the return of the defective deliverable and refund the amount paid under the customer arrangement that is allocable to the defective deliverable. Our contracts also generally contain limitation of damages provisions in an effort to reduce our exposure to monetary damages arising from breach of warranty claims. Historically, we have incurred minimal warranty costs, and as a result, do not maintain a warranty reserve.

Solution and Services Indemnifications. Arrangements with our customers generally include an indemnification provision that will indemnify and defend a customer in actions brought against the customer that claim our products and/or services infringe upon a copyright, trade secret, or valid patent. Historically, we have not incurred any significant costs related to such indemnification claims, and as a result, do not maintain a reserve for such exposure.

Claims for Company Non-performance. Our arrangements with our customers typically limit our liability for breach to a specified amount of the direct damages incurred by the customer resulting from the breach. From time-to-time, these arrangements may also include provisions for possible liquidated damages or other financial remedies for our non-performance, or in the case of certain of our solutions, provisions for damages related to service level performance requirements. The service level performance requirements typically relate to system availability and timeliness of service delivery. As of September 30, 2025, we believe we have adequate reserves, based on our historical experience, to cover any reasonably anticipated exposure as a result of our non-performance for any past or current arrangements with our customers.

Sales and Use Tax. In the ordinary course of business, we are, from time to time, subject to audits performed by state taxing authorities. We continually assess our sales and use tax exposure and as of September 30, 2025, we believe that we have adequate reserves to cover any taxes owed and related penalties and interest. While we believe that the assumptions and estimates used to determine these liabilities are reasonable, the ultimate outcome of these matters cannot be certain, and we will adjust these estimated liabilities as new information becomes available.

Indemnifications Related to Officers and the Board of Directors. Other guarantees include promises to indemnify, defend, and hold harmless our directors, and certain officers. Such indemnification covers any expenses and liabilities reasonably incurred by a person, by reason of the fact that such person is, was, or has agreed to be a director or officer, in connection with the investigation, defense, and settlement of any threatened, pending, or contemplated action, suit, proceeding, or claim. We maintain directors' and officers' ("D&O") insurance coverage to protect against such losses. We have not historically incurred any losses related to these types of indemnifications and are not aware of any pending or threatened actions or claims against any officer or member of our Board of Directors (the "Board"). As a result, we have not recorded any liabilities related to such indemnifications as of September 30, 2025. In addition, as a result of the insurance policy coverage, we believe these indemnification agreements are not significant to our results of operations.

Legal Proceedings. From time to time, we are involved in litigation relating to claims arising out of our operations in the normal course of business.

9. EARNINGS PER COMMON SHARE

Basic and diluted earnings per common share ("EPS") amounts are presented on the face of our unaudited Condensed Consolidated Statements of Income (the "Income Statements").

The reconciliation of the basic and diluted EPS denominators related to common shares is included in the following table (in thousands):

	Quarter Ended		Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Basic weighted-average common shares	27,627	28,362	27,762	28,475
Dilutive effect of restricted common stock	343	106	361	146
Diluted weighted-average common shares	27,970	28,468	28,123	28,621

The dilutive effect of time-based awards is computed using the treasury stock method. The dilutive effect of performance-based and market-based awards is computed based on the number of shares that would be issued as if the end of the reporting period was the end of the performance period. The dilutive effect of the 2023 Convertible Notes is computed using the if-converted method and will only have an effect in those quarterly periods in which our average stock price exceeds the current effective conversion price.

Potentially dilutive common shares related to non-participating unvested restricted stock were excluded from the computation of diluted EPS, as the effect was anti-dilutive, and were not material in any period presented.

10. STOCKHOLDERS' EQUITY AND EQUITY COMPENSATION PLANS

Stock Repurchase Program. We currently have a stock repurchase program, approved by our Board, authorizing us to repurchase shares of our common stock from time-to-time as market and business conditions warrant (the "Stock Repurchase Program"). During the third quarters of 2025 and 2024, we repurchased approximately 275,000 shares of our common stock for \$17.6 million (weighted-average price of \$63.75 per share), and approximately 313,000 shares of our common stock for \$14.4 million (weighted-average price of \$46.11 per share), respectively, under a SEC Rule 10b5-1 Plan. During the nine months ended September 30, 2025 and 2024, we repurchased approximately 703,000 shares of our common stock for \$44.2 million (weighted-average price of \$62.92 per share), and approximately 716,000 shares of our common stock for \$33.7 million (weighted-average price of \$47.07 per share), respectively, under a SEC Rule 10b5-1 Plan. The excise tax imposed on share repurchases, which is included as a cost of treasury stock, is not reflected in these amounts.

As of September 30, 2025, the total remaining value of shares available for repurchase under the Stock Repurchase Program totaled \$93.7 million, with the amount authorized for repurchase through December 31, 2025.

Stock Repurchases for Tax Withholdings. In addition to the above-mentioned stock repurchases, during the third quarters of 2025 and 2024, we repurchased and then cancelled approximately 4,000 shares of common stock for \$0.2 million and approximately 3,000 shares of common stock for \$0.2 million, respectively, and nine months ended September 30, 2025 and 2024, we repurchased and then cancelled approximately 223,000 shares of common stock for \$14.0 million and approximately 172,000 shares of common stock for \$9.1 million, respectively, in connection with minimum tax withholding requirements resulting from the vesting of restricted common stock under our stock incentive plan.

Cash Dividends. During the third quarter of 2025, our Board approved a quarterly cash dividend of \$0.32 per share of common stock, totaling \$9.1 million. During the third quarter of 2024, our Board approved a quarterly cash dividend of \$0.30 per share of common stock, totaling \$8.8 million. Dividends declared for the nine months ended September 30, 2025 and 2024 totaled \$27.7 million and \$26.4 million, respectively. As of September 30, 2025 and 2024, we had \$10.6 million and \$1.9 million, respectively, of dividends accrued, which are included in other current and non-current liabilities on our Balance Sheets. The increase in accrued dividends for 2025 relates primarily to our third quarter of 2025 dividends that were declared in September, but will be paid in October.

Stock-Based Awards. During the nine months ended September 30, 2025 we granted restricted stock awards to key members of management in the form of: (i) performance-based awards of approximately 170,000 restricted common stock shares, of which the majority will vest in the first quarter of 2027 upon meeting certain pre-established financial performance objectives over a two-year performance period; and (ii) market-based awards of approximately 51,000 restricted common stock shares, which vest in the first quarter of 2028 upon meeting a relative total shareholder return performance achievement tier. Certain of these awards may vest (i.e., vesting accelerates) upon the involuntary termination of employment or a change in control (as defined) and the subsequent involuntary termination of employment.

During the nine months ended September 30, 2025, we also granted restricted stock awards to key members of management in the form of time-based awards of approximately 398,000 restricted common stock shares, which vest annually over three years with no restrictions other than the passage of time. Certain of these awards may vest (i.e., vesting accelerates) upon the involuntary termination of employment, a change in control (as defined) and the subsequent involuntary termination of employment, or death.

We recorded stock-based compensation expense for the third quarters of 2025 and 2024 of \$8.7 million for each period, and for the nine months ended September 30, 2025 and 2024 of \$25.7 million and \$25.0 million, respectively.

11. SUBSEQUENT EVENT

On October 29, 2025, we entered into an Agreement and Plan of Merger (the "Merger Agreement") with NEC Corporation, a company incorporated under the laws of Japan ("NEC") and Canvas Transaction Company, Inc., a Delaware corporation and a wholly owned subsidiary of NEC ("Merger Sub"). Pursuant to the terms and subject to the conditions set forth in the Merger Agreement, Merger Sub will merge with and into CSG (the "Merger"), with CSG continuing as the surviving corporation as a wholly owned subsidiary of NEC. Our Board has unanimously approved the Merger Agreement and the transactions contemplated thereby, including the Merger, and, subject to the terms of the Merger Agreement, resolved to recommend that our stockholders adopt the Merger Agreement.

Per the terms and subject to the conditions set forth in the Merger Agreement, at the effective time of the Merger (the "Effective Time"), each share of CSG common stock that is issued and outstanding immediately prior to the Effective Time (other than the Canceled Shares and Dissenting Shares, as they are defined in the Merger Agreement), will be converted into the right to receive \$80.70 per share in cash (the "Merger Consideration").

In addition, the Merger Agreement provides for the following treatment of our equity awards:

- Each outstanding restricted stock award that is vested as of immediately prior to the Effective Time (or that will vest solely as a result of the consummation of the transactions contemplated by the Merger Agreement, including, if the Effective Time occurs in 2026, restricted stock awards that would have completed their full vesting period and been settled in accordance with their terms in 2027) will be converted into the right to receive an amount in cash equal to the number of CSG shares underlying such award multiplied by the Merger Consideration, plus any applicable accrued and unpaid dividends, and become payable shortly following the Effective Time, and each other outstanding restricted stock award will be converted into a deferred cash award based on the number of CSG shares underlying such award multiplied by the Merger Consideration, plus any applicable accrued and unpaid dividends, and will vest and become payable on the original time-based vesting schedule, subject to substantially the same terms and conditions as the corresponding restricted stock award.
- Each outstanding performance-based or market-based restricted stock award (other than the CEO Award (as defined below)) that is vested as of immediately prior to the Effective Time (or that will vest solely as a result of the consummation of the transactions contemplated by the Merger Agreement, including, if the Effective Time occurs in 2026, restricted stock awards that would have completed their full vesting period and been settled in accordance with their terms in 2027) will be converted into the right to receive an amount in cash equal to the number of CSG shares underlying such award (with applicable performance metrics generally deemed achieved at the greater of target and actual performance as of the latest practical date prior to the Effective Time) multiplied by the Merger Consideration, plus any applicable accrued and unpaid dividends, and become payable shortly following the Effective Time, and each other outstanding performance-based or market-based restricted stock award (other than the CEO Award) will be converted into a deferred cash award based on the number of CSG shares underlying such award multiplied by the Merger Consideration (with applicable performance metrics deemed achieved at the greater of target and actual performance as of the latest practical date prior to the Effective Time), plus any applicable accrued and unpaid dividends, and will vest and become payable on the original time-based vesting schedule, subject to substantially the same terms and conditions as the corresponding performance-based or market-based restricted stock award.
- The market-based restricted stock award granted to our CEO on December 10, 2024 (the "CEO Award") will be converted into a deferred cash award based on the number of CSG shares underlying such award (with applicable performance metrics deemed achieved based on the Merger Consideration) multiplied by the Merger Consideration, plus any applicable accrued and unpaid dividends, and will vest and become payable on the original time-based vesting schedule, subject to substantially the same terms and conditions as the CEO Award.
- Additionally, each restricted stock award that would have vested and settled in accordance with its terms in 2026 will vest and settle on or prior to December 31, 2025, with any applicable performance-based vesting conditions deemed achieved based on actual performance as of the latest practical date.

If the Merger is consummated, this will result in the outstanding loans under the 2025 Credit Agreement being repaid and commitments thereunder being terminated at the closing. If the Merger is consummated, this would also likely result in a conversion trigger for the 2023 Convertible Note holders.

If the Merger is consummated, CSG shares will be delisted from the Nasdaq Global Select Market and deregistered under the Securities Exchange Act of 1934, as amended.

The closing of the Merger is expected to occur during 2026, subject to the satisfaction of customary closing conditions including receipt of approval by CSG's stockholders and required regulatory approvals.

If the Merger Agreement is terminated under certain specified circumstances, including termination by CSG to accept and enter into a definitive agreement with respect to a superior proposal, CSG will be required to pay NEC a termination fee of \$82,000,000. If the Merger Agreement is terminated under other certain specified circumstances, NEC will be required to pay CSG a termination fee of \$135,000,000.

The foregoing summary of the Merger Agreement and the transactions contemplated thereby does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Merger Agreement, which is filed as Exhibit 2.1 to our Current Report on Form 8-K filed with the SEC on October 29, 2025.

We have incurred and will incur certain costs relating to the proposed Merger, such as financial advisory, legal, accounting, and other professional services fees. Future costs cannot be estimated at this time.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The information contained in this MD&A should be read in conjunction with the Financial Statements and Notes thereto included in this Form 10-Q and the audited consolidated financial statements and notes thereto in our 2024 10-K.

Forward-Looking Statements

This Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. All statements, other than statements of historical fact, included in this Quarterly Report on Form 10-Q that address results or developments that we expect or anticipate will or may occur in the future are forward-looking statements. Forward-looking statements include, but are not limited to, statements relative to our future plans, our financial condition, and our expectations concerning our business and the industries we serve, and the Company's expectations, plans, intentions, strategies or prospects with respect to the proposed Merger. These statements are often identified by the use of words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "plan," "hope," "hopeful," "likely," "may," "optimistic," "possible," "potential," "preliminary," "project," "should," "will," "would" or the negative or plural of these words or similar expressions or variations. Forward-looking statements are made based upon management's current expectations and beliefs and are not guarantees of future performance. Such forward-looking statements are subject to a number of risks, uncertainties, assumptions and other factors that could cause actual results and the timing of certain events to differ materially from future results expressed or implied by the forward-looking statements. These factors include, but are not limited to the following: we derive a significant portion of our revenue from a limited number of customers, with approximately forty percent of our revenue from our two largest customers; fluctuations in credit market conditions, general global economic and political conditions, and foreign currency exchange rates; our ability to maintain a reliable, secure computing environment; continued market acceptance of our products and services; our ability to continuously develop and enhance products in a timely, cost-effective, technically advanced and competitive manner; our ability to deliver its solutions in a timely fashion within budget, particularly large and complex software implementations; our dependency on the global telecommunications industry, and in particular, the North American telecommunications industry; our ability to meet our financial expectations; increasing competition in our market from companies of greater size and with broader presence; our ability to successfully integrate and manage acquired businesses or assets to achieve expected strategic, operating and financial goals; our ability to protect its intellectual property rights; our ability to conduct business in the international marketplace; our ability to comply with applicable U.S. and International laws and regulations; the ability of the parties to the Merger to complete the proposed Merger on the anticipated terms and timing, or at all, the satisfaction or waiver of other conditions to the completion of the proposed Merger, including obtaining required shareholder and regulatory approvals; the risk that our stock price may fluctuate during the pendency of the proposed Merger and may decline if the proposed Merger is not completed; potential litigation relating to the proposed Merger that could be instituted against use or our directors, managers or officers, including the delay, expense or other effects of any outcomes related thereto; the risk that disruptions from the proposed Merger will harm our business, including current plans and operations, including during the pendency of the proposed Merger; our ability to retain, motivate, and hire key personnel; the diversion of management's time and attention from ordinary course business operations to completion of the proposed Merger and integration matters; potential adverse reactions or changes to business relationships resulting from the announcement, pendency or completion of the proposed Merger; legislative, regulatory and economic developments; potential business uncertainty, including changes to existing business relationships, during the pendency of the proposed Merger that could affect our financial performance; certain restrictions during the pendency of the proposed Merger that may impact our ability to pursue certain business opportunities or strategic transactions; unpredictability and severity of catastrophic events, including but not limited to acts of terrorism, outbreaks of war or hostilities or global pandemics, as well as management's response to any of the aforementioned factors; the possibility that the proposed Merger may be more expensive to complete than anticipated, including as a result of unexpected factors or events; unexpected costs, liabilities or delays associated with the Merger; the response of competitors to the Merger; the occurrence of any event, change or other circumstance that could give rise to the termination of the proposed Merger, including in circumstances requiring us to pay a termination fee; the ability to realize the anticipated benefits of the Merger, including the expected synergies and cost saving; the possibility that competing or superior acquisition proposals for the Company will be made; and other risks identified in Part I, Item 1A, "Risk Factors" in this Quarterly Report on Form 10-Q and under the heading "Risk Factors," in our 2024 Form 10-K and in our subsequent filings with the SEC. You should not rely upon forward-looking statements as predictions of future events. Actual results and outcomes could differ materially from the results described in or implied by such forward looking statements. Forward-looking statements speak only as of the date hereof, and, except as required by law, we undertake no obligation to update or revise these forward-looking statements.

Company Overview

We are a purpose-driven SaaS platform company that enables global companies in a wide variety of industry verticals to simplify their complex customer engagement and how they monetize in the digital age. Our industry leading revenue management and digital monetization, customer experience, and payments solutions make ordinary customer experiences extraordinary. Our cloud-first architecture and customer-centric approach help companies around the world acquire, monetize, engage, and retain the B2B (business-to-business), B2C (business-to-consumer), and B2B2X (business-to-business-to-consumer) customers. As brands reimagine their engagement strategies in an increasingly connected world, we sit at the center of a complex, multi-sided business model ensuring monetization and customer engagement is handled at all levels of the ecosystem.

We leverage 40 years of experience to deliver innovative customer engagement solutions for every stage of the customer lifecycle so our customers can deliver an outstanding customer experience that adapts to their customers' rapidly changing demands. Our diverse, worldwide workforce draws from real-world knowledge and extensive expertise to design and implement business solutions that make our customers' hardest decisions simpler so that they can focus on delivering differentiated and real-time experiences to their customers. As a global technology leader, we aspire to envision, invent, and shape a better, more future-ready world.

We focus our research and development ("R&D") and acquisition investments on expanding our offerings in a timely and efficient manner to address the complex, transformative needs of our customers. Our scalable, modular, and flexible solutions combined with our domain expertise and our ability to effectively migrate customers to our solutions, provide the industry with proven solutions to improve their profitability and consumers' experiences. We have specifically architected our solutions to offer a phased, incremental approach to transforming our customers' businesses, thereby reducing the business interruption risk associated with this evolution.

As discussed in Note 2 to our Financial Statements, we generate a majority of our revenue from the global communications markets; however, we serve an expanding group of customers in other markets including retail, financial services, healthcare, insurance, and government entities.

We are a member of the S&P Small Cap 600 and Russell 2000 indices.

Plan of Merger

On October 29, 2025, we entered into a Merger Agreement with NEC and Merger Sub. Pursuant to the terms and subject to the conditions set forth in the Merger Agreement, Merger Sub will merge with and into CSG, with CSG continuing as the surviving corporation as a wholly owned subsidiary of NEC. Our Board has unanimously approved the Merger Agreement and the transactions contemplated thereby, including the Merger, and, subject to the terms of the Merger Agreement, resolved to recommend that our shareholders adopt the Merger Agreement.

Per the terms and subject to the conditions set forth in the Merger Agreement, at the Effective Time of the Merger, each share of CSG common stock that is issued and outstanding immediately prior to the Effective Time (other than the Cancelled Shares and Dissenting Shares, as they are defined in the Merger Agreement), will be converted into the right to receive \$80.70 per share in cash.

If the Merger is consummated, CSG shares will be delisted from the Nasdaq Global Select Market and deregistered under the Securities Exchange Act of 1934, as amended.

The closing of the Merger is expected to occur during 2026, subject to the satisfaction of customary closing conditions including receipt of approval by CSG's stockholders and required regulatory approvals.

See Note 11 to our Financial Statements for additional information.

Macroeconomic Outlook

Current geopolitical and economic uncertainties, including inflation, tariffs and changes in trade policy, supply chain disruptions, and labor shortages, could adversely affect our business. The potential impact to our business could depend on multiple factors, including the duration and potential expansion of tariffs, retaliatory measures by impacted exporting countries, inflationary effects, and broader macroeconomic responses. Because we cannot predict the impact these events could have on current economic conditions or our business, there is no assurance that we will be able to fully mitigate the financial and competitive impacts related to such uncertainties, any of which could have a material adverse effect on our results of operations.

Management Overview of Quarterly Results

Third Quarter Highlights. A summary of our results of operations for the third quarter of 2025, when compared to the third quarter of 2024, was as follows (in thousands, except per share amounts and percentages):

	Quarter Ended	
	September 30, 2025	September 30, 2024
Revenue	\$ 303,615	\$ 295,143
Transaction fees (1)	24,333	22,524
Operating results:		
Operating income	\$ 30,459	\$ 31,822
Operating margin percentage	10.0%	10.8%
Diluted EPS	\$ 0.73	\$ 0.67
Supplemental data:		
Restructuring and reorganization charges (2)	\$ 5,591	\$ 2,943
Acquisition-related costs:		
Amortization of acquired intangible assets	3,474	3,929
Earn-out compensation	2,954	2,591
Transaction-related costs	3,200	32
Stock-based compensation (2)	8,818	8,759

- (1) Transaction fees are primarily comprised of fees paid to third-party payment processors and financial institutions and interchange fees under our payment services contracts. Transaction fees are included in revenue on our Income Statement (and not netted against revenue) because we maintain control and act as the principal over the integrated service provided under our payment services customer contracts.
- (2) Restructuring and reorganization charges include stock-based compensation, which is not included in the stock-based compensation line in the table above, and depreciation, which has not been recorded to the depreciation line on our Income Statement.

Revenue. Revenue for the third quarter of 2025 was \$303.6 million, a 2.9% increase when compared to revenue of \$295.1 million for the third quarter of 2024. The increase in revenue was primarily attributed to the continued growth of our SaaS and related solutions revenue.

Operating Results. Operating income for the third quarter of 2025 was \$30.5 million, or a 10.0% operating margin percentage, compared to \$31.8 million, or a 10.8% operating margin percentage for the third quarter of 2024. The decrease in operating income was mainly attributed to higher acquisition-related costs and restructuring and reorganization charges, partially offset by the benefits received from the cost efficiency actions taken during the last twelve months.

Diluted EPS. Diluted EPS for the third quarter of 2025 was \$0.73 compared to \$0.67 for the third quarter of 2024, with the increase mainly attributed to foreign currency movements.

Cash and Cash Flows. As of September 30, 2025, we had cash and cash equivalents of \$158.4 million, as compared to \$145.9 million as of June 30, 2025 and \$161.8 million as of December 31, 2024. Our cash flows provided by operating activities for the third quarter of 2025 were \$47.9 million. See the Liquidity section below for further discussion of our cash flows.

Significant Customer Relationships

A large percentage of our revenue is generated from a limited number of customers in the global communications industry, with our three largest customers being Charter Communications Inc. ("Charter"), Comcast Corporation ("Comcast"), and DISH Network L.L.C.

Customer Concentration. We have significant customer concentration, with the following two customers exceeding 10% of our revenue (in thousands, except percentages):

	September 30, 2025			Quarter Ended June 30, 2025			September 30, 2024	
	Amount	% of Revenue		Amount	% of Revenue		Amount	% of Revenue
Charter	\$ 58,859	19%	\$	57,667	19%	\$	59,070	20%
Comcast	53,204	18%		51,415	17%		58,688	20%

The percentages of net billed accounts receivable balances attributable to these customers as of the dates indicated were as follows:

	As of			
	September 30, 2025	June 30, 2025	December 31, 2024	
Charter	20%	19%	20%	
Comcast	16%	17%	17%	

See our 2024 10-K for additional discussion of our business relationships and contractual terms with Charter and Comcast.

Charter. In September 2025, we entered into an amendment (the "Amendment") to the current agreement with Charter. The key terms of the Amendment are as follows:

- The Amendment extends our contractual relationship with Charter through September 30, 2031.
- The revenue to be generated under the Amendment will be based primarily on monthly charges for SaaS and related services per Charter customer account, and various other ancillary services based on actual usage. The Amendment includes reduced price escalators for 2025 and annual fixed-price escalators beginning in 2026. We did not provide a renewal discount to Charter in the Amendment.
- The Amendment contains certain financial commitments both throughout the term and associated with the number of Charter customer accounts that are to be processed on our solutions.
- We maintain the exclusive right to provide print and mail services to all current and future Charter customer accounts through the term of the Amendment.
- The Amendment contains certain rights and obligations of both parties, including the following key items: (i) the termination of the agreement under certain conditions; (ii) various service level commitments; and (iii) remedies and limitations on liabilities associated with specified breaches of contractual obligations.

The foregoing does not constitute a complete summary of the terms of the Amendment and is qualified by reference to the Amendment, with confidential information redacted, which is filed as Exhibit 10.28K to this Form 10-Q.

Risk of Customer Concentration. We expect to continue to generate a large percentage of our future revenue from a limited number of customers. There are inherent risks whenever a large percentage of total revenue is concentrated with a limited number of customers. Should a significant customer: (i) terminate or fail to renew their contracts with us, in whole or in part, for any reason; (ii) significantly reduce the number of customer accounts processed on our solutions, the price paid for our services, or the scope of services that we provide; or (iii) experience financial or operating difficulties, it could have a material adverse effect on our financial position and results of operations.

Contract Termination

It is customary for us to enter into software implementation projects with certain customers. These implementation projects range from relatively short and noncomplex projects to long and complex projects, ranging from several months to several years in duration depending on the specifics of the project.

On July 5, 2025, we terminated an MSA for one of our implementation projects in the Latin America region on the basis that the customer unlawfully renounced its obligations under the MSA. At this time, there is no work being performed on the project and we intend to pursue any and all available remedies.

Through the contract termination date, we recognized \$1.4 million in revenue during 2025 related to this project. We do not expect the termination of this contract to have a material impact on 2025 revenue. As of September 30, 2025, we had accounts receivable of \$18.1 million (\$1.3 million billed and \$16.8 million unbilled) related to this project. As of the date of this filing, we do not believe there has been an impairment to the carrying values of the assets and believe such amounts are recoverable per the terms of the MSA or as a matter of common law. However, if we are not successful in collecting the amount expected under the terms of the MSA or as a matter of common law, it is possible that an impairment of these assets could result.

Critical Accounting Policies and Estimates

The preparation of our Financial Statements in conformity with U.S. GAAP requires us to select appropriate accounting policies, and to make judgments and estimates affecting the application of those accounting policies. On an ongoing basis, we evaluate our estimates and assumptions. In applying our accounting policies and estimates, different business conditions or the use of different assumptions may result in materially different amounts reported in our Financial Statements.

We have identified the most critical accounting policies and estimates that affect our financial position and the results of our operations. Those critical accounting policies and estimates were determined by considering the accounting policies that involve the most complex or subjective decisions or assessments. The most critical accounting policies and estimates identified relate to the following items: (i) revenue recognition; (ii) income taxes; and (iii) loss contingencies. These critical accounting policies, as well as our other significant accounting policies, are discussed in our 2024 10-K.

Results of Operations

Revenue. Total revenue for the: (i) third quarter of 2025 was \$303.6 million, a 2.9% increase when compared to \$295.1 million for the third quarter of 2024; and (ii) nine months ended September 30, 2025 was \$900.2 million, a 2.2% increase when compared to \$880.6 million for the nine months ended September 30, 2024.

Revenue by type for the third quarters and nine months ended September 30, 2025 and 2024 was as follows (in thousands):

	Quarter Ended		Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
SaaS and related solutions	\$ 274,965	\$ 263,701	\$ 814,453	\$ 788,054
Software and services	16,804	19,705	51,717	56,780
Maintenance	11,846	11,737	34,026	35,762
Total revenue	\$ 303,615	\$ 295,143	\$ 900,196	\$ 880,596

The increases in revenue were primarily due to the continued growth of our SaaS and related solutions revenue, which more than offset lower professional services revenue for the periods. Additionally, revenue for the nine months ended September 30, 2025 includes approximately \$6 million of revenue recognized from a software license arrangement.

We use the location of the customer as the basis of attributing revenue to individual countries. Revenue by geographic region for the third quarters and nine months ended September 30, 2025 and 2024 was as follows (in thousands):

	Quarter Ended		Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Americas (principally the U.S.)	\$ 258,814	\$ 258,620	\$ 771,326	\$ 771,193
Europe, Middle East, and Africa	30,193	26,381	89,083	72,199
Asia Pacific	14,608	10,142	39,787	37,204
Total revenue	\$ 303,615	\$ 295,143	\$ 900,196	\$ 880,596

Total Operating Expenses. Total operating expenses for the: (i) third quarter of 2025 were \$273.2 million, a 3.7% increase when compared to \$263.3 million for the third quarter of 2024; and (ii) nine months ended September 30, 2025 were \$810.5 million, a 2.4% increase when compared to \$791.6 million for the nine months ended September 30, 2024.

- The increase in total operating expenses in the third quarter of 2025 is reflective of the increase in revenue between periods and was also impacted by approximately \$3 million of acquisition-related transaction-related costs recognized in the third quarter of 2025 related to the proposed Merger and higher restructuring and reorganization charges.
- The increase in total operating expenses during the nine months ended September 2025 is reflective of the increase in revenue between periods and was also impacted by an increase in acquisition-related costs, mainly attributed to the DGIT earn-out compensation of approximately \$10 million for the nine months ended September 30, 2025 and approximately \$3 million of transaction-related costs recognized in the third quarter of 2025 related to the proposed Merger, and higher restructuring and reorganization charges.

These additional costs were offset to a certain degree by the cost efficiency actions taken during the last twelve months to optimize our capacity and better align resources to areas of the business with higher growth profiles.

The components of total operating expenses are discussed in more detail below.

Cost of Revenue (Exclusive of Depreciation). The cost of revenue for the: (i) third quarter of 2025 was \$157.5 million, a 5.4% increase when compared to \$149.5 million for the third quarter of 2024; and (ii) nine months ended September 30, 2025 was \$462.2 million, a 0.4% increase when compared to \$460.3 million for the nine months ended September 30, 2024. These increases in cost of revenue are reflective of the increases in SaaS and related solutions revenue between periods, to include an increase in employee-related costs. Total cost of revenue as a percentage of revenue for the: (i) third quarters of 2025 and 2024 was 51.9% and 50.6%, respectively; and (ii) nine months ended September 30, 2025 and 2024 was 51.3% and 52.3%, respectively.

R&D Expense (Exclusive of Depreciation). R&D expense for the: (i) third quarter of 2025 was \$40.3 million, a 3.3% decrease when compared to \$41.7 million for the third quarter of 2024; and (ii) nine months ended September 30, 2025 was \$121.6 million, a 4.7% increase when compared to \$116.2 million for the nine months ended September 30, 2024.

- The decrease in R&D expense in the third quarter of 2025 is mainly attributed to lower employee-related costs, due to the cost efficiency actions taken during the last twelve months, which have resulted in a reallocation of resources to revenue projects.
- The increase in R&D expense during the nine months ended September 30, 2025 is attributed primarily to increased R&D investments in our faster growing SaaS solutions, such as Ascendon monetization and payments.

Delivering future-ready solutions that have best-in-industry innovation (including new AI capabilities) is a key competitive advantage for us. As a percentage of total revenue, R&D expense for the: (i) third quarters of 2025 and 2024 was 13.3% and 14.1%, respectively; and (ii) nine months ended September 30, 2025 and 2024 was 13.5% and 13.2%, respectively.

Selling, General, and Administrative ("SG&A") Expense (Exclusive of Depreciation). SG&A expense for the: (i) third quarter of 2025 was \$65.4 million, a 2.4% increase when compared to \$63.9 million for the third quarter of 2024; and (ii) nine months ended September 30, 2025 was \$195.3 million, a 4.5% increase when compared to \$186.8 million for the nine months ended September 30, 2024.

- The increase in SG&A expense during the third quarter of 2025 is mainly attributed to approximately \$3 million of acquisition-related transaction-related costs recognized in the third quarter of 2025 related to the proposed Merger, offset by lower employee-related costs, mainly due to the cost efficiency actions discussed above.
- The increase in SG&A expense during the nine months ended September 30, 2025 is mainly attributed to acquisition-related costs of approximately \$10 million of DGIT earn-out compensation and approximately \$3 million of transaction-related costs recognized in 2025 related to the proposed Merger, offset by a decrease in employee-related costs, due to the cost efficiency actions discussed above.

As a percentage of total revenue, SG&A expense for the: (i) third quarters of 2025 and 2024 was 21.6% and 21.7%, respectively; and (ii) nine months ended September 30, 2025 and 2024 was 21.7% and 21.2%, respectively.

Depreciation. Depreciation expense for the: (i) third quarter of 2025 was \$4.3 million, a 19.0% decrease when compared to \$5.3 million for the third quarter of 2024; and (ii) nine months ended September 30, 2025 was \$13.9 million, a 14.7% decrease when compared to \$16.3 million for the nine months ended September 30, 2024. These decreases can be primarily attributed to the decreased level of capital expenditures we have made over the past several years and the closure of our design and delivery center in Crawfordville, Florida, discussed below.

Restructuring and Reorganization Charges. Restructuring and reorganization charges for the: (i) third quarter of 2025 were \$5.6 million, a \$2.7 million increase when compared to \$2.9 million for the third quarter of 2024; and (ii) nine months ended September 30, 2025 was \$17.5 million, a \$5.5 million increase when compared to \$12.0 million for the nine months ended September 30, 2024. The restructuring and reorganization charges for the nine months ended September 30, 2025 relate mainly to cost efficiency actions to optimize our capacity and better align resources along with costs associated with the closure of our design and delivery center in Crawfordville, Florida. These activities have resulted in restructuring charges of \$14.3 million related to involuntary terminations.

See Note 7 to our Financial Statements for additional discussion.

Operating Income. Operating income for the: (i) third quarter of 2025 was \$30.5 million, or 10.0% of total revenue, compared to \$31.8 million, or 10.8% of total revenue for the third quarter of 2024; and (ii) nine months ended September 30, 2025 was \$89.7 million, or 10.0% of total revenue, compared to \$89.0 million, or 10.1% of total revenue, for the nine months ended September 30, 2024.

- The decrease in operating income for the third quarter of 2025 is mainly attributed to acquisition-related costs, discussed above, and higher restructuring and reorganization charges, partially offset by the benefits received from the cost efficiency actions taken during the last twelve months.
- The increase in operating income for the nine months ended September 30, 2025 is mainly attributed to the benefits received from the cost efficiency actions, discussed above, partially offset by the increase in acquisition-related costs, discussed above, and higher restructuring and reorganization charges between periods.

Interest Income. Interest income for the: (i) third quarter of 2025 was \$1.3 million, a \$0.6 million decrease when compared to \$1.9 million for the third quarter of 2024; and (ii) nine months ended September 30, 2025 was \$4.3 million, a \$2.3 million decrease when compared to \$6.6 million for the nine months ended September 30, 2024. These decreases are primarily attributed to lower cash balances being swept into overnight money market accounts on a daily basis.

Loss on Extinguishment of Debt. In March 2025, we entered into the 2025 Credit Agreement, which replaced the 2021 Credit Agreement (see Note 5 to our Financial Statements). As a result, we incurred a loss of \$0.5 million related to the write-off of debt issuance costs.

Other, net. Other, net for the: (i) third quarter of 2025 was \$2.0 million of other income, a \$4.2 million change from \$2.2 million of other expense for the third quarter of 2024; and (ii) nine months ended September 30, 2025 was \$3.8 million of other expense, a \$2.3 million change when compared to \$1.5 million of other expense for the nine months ended September 30, 2024. These changes were primarily attributed to foreign currency movements.

Income Tax Provision. The effective income tax rates for the: (i) third quarters of 2025 and 2024 were 22% and 20%, respectively; and (ii) nine months ended September 30, 2025 and 2024 were 28% and 26%, respectively. The increases in the 2025 effective income tax rates as compared to the respective 2024 rates can be mainly attributed to one-time benefits recognized in the third quarter of 2024 for the revaluation of certain deferred income taxes and the impact of the DGIT earn-out compensation in 2025, for which a valuation allowance has been established for income tax purposes (see Note 6 for further discussion of the DGIT earn-out payments). Our estimated full year 2025 effective income tax rate is approximately 29%.

Liquidity

Cash and Liquidity. As of September 30, 2025, our principal sources of liquidity included cash and cash equivalents of \$158.4 million, compared to \$145.9 million as of June 30, 2025, and \$161.8 million as of December 31, 2024.

During the first quarter of 2025, we entered into the 2025 Credit Agreement, which consists of a \$600.0 million five-year revolver, the 2025 Revolver, which replaced our \$600.0 million five-year credit agreement entered into September 2021, the 2021 Credit Agreement. As of September 30, 2025, we had \$125.0 million outstanding on the 2025 Revolver. The 2025 Credit Agreement contains customary affirmative, negative, and financial covenants. As of September 30, 2025, and the date of this filing, we believe we are in compliance with the provisions of the 2025 Credit Agreement.

Our cash and cash equivalents balances as of the end of the indicated periods were located in the following geographical regions (in thousands):

	September 30, 2025	December 31, 2024
Americas (principally the U.S.)	\$ 100,798	\$ 102,417
Europe, Middle East, and Africa	42,416	43,609
Asia Pacific	15,171	15,763
Total cash and cash equivalents	\$ 158,385	\$ 161,789

We generally have ready access to substantially all of our cash and cash equivalents, but may face limitations on moving cash out of certain foreign jurisdictions due to currency controls and potential negative economic consequences.

As of September 30, 2025 and December 31, 2024, we had \$1.8 million and \$1.7 million, respectively, of cash restricted as to use primarily to collateralize guarantees included in our non-current asset balance. In addition, as of September 30, 2025 and December 31, 2024, we had \$301.5 million and \$343.2 million, respectively, of settlement and merchant reserve assets which are deemed restricted due to contractual restrictions with the merchants and restrictions arising from our policy and intention. It has historically been our policy to segregate settlement and merchant reserve assets from our operating cash balances, and we intend to continue to do so.

Cash Flows from Operating Activities. We calculate our cash flows from operating activities beginning with net income, adding back the impact of non-cash items or non-operating activity (e.g., depreciation, amortization, impairments, gain/loss on items such as investments, lease modifications, and debt extinguishments/conversions, unrealized foreign currency transactions gain/loss, deferred income taxes, stock-based compensation, etc.), and then factoring in the impact of changes in operating assets and liabilities. See our 2024 10-K for a description of the primary uses and sources of our cash flows from operating activities.

Our cash flows from operating activities, broken out between operations and changes in operating assets and liabilities, for the indicated quarterly periods are as follows (in thousands):

	Operations	Changes in Operating Asset and Liabilities	Net Cash Provided by (Used in) Operating Activities – Totals
Cash Flows from Operating Activities:			
2025:			
March 31 (1)	\$ 40,619	\$ (29,150)	\$ 11,469
June 30	38,999	(1,673)	37,326
September 30	41,324	6,619	47,943
Total	<u>\$ 120,942</u>	<u>\$ (24,204)</u>	<u>\$ 96,738</u>
2024:			
March 31 (2)	\$ 51,655	\$ (81,006)	\$ (29,351)
June 30	35,625	7,480	43,105
September 30	44,354	(4,895)	39,459
Total	<u>\$ 131,634</u>	<u>\$ (78,421)</u>	<u>\$ 53,213</u>

(1) Cash flows from operating activities for the first quarter of 2025 reflect the impact of the payment of the 2024 year-end accrued employee incentive compensation.

(2) Cash flows from operating activities for the first quarter of 2024 were negatively impacted by unfavorable working capital changes, to include the impact of the payment of the 2023 year-end accrued employee incentive compensation and timing of trade accounts receivable.

Variations in our net cash provided by (used in) operating activities are generally related to the changes in our operating assets and liabilities (related mostly to fluctuations in timing of customer payments and changes in accrued expenses), and generally over longer periods of time, do not significantly impact our cash flows from operations.

Significant fluctuations in key operating assets and liabilities between 2025 and 2024 that impacted our cash flows from operating activities are as follows:

Billed Trade Accounts Receivable

Management of our billed trade accounts receivable is one of the primary factors in maintaining strong cash flows from operating activities. These balances include significant billings for several non-revenue items (primarily postage, sales tax, and deferred revenue items). As a result, we evaluate our performance in collecting our billed trade accounts receivable through our calculation of Days Billings Outstanding (“DBO”) rather than a typical Days Sales Outstanding (“DSO”) calculation.

Our gross and net billed trade accounts receivable and related allowance for expected losses (“Allowance”) as of the end of the indicated quarterly periods, and the related DBOs for the quarters then ended, are as follows (in thousands, except DBOs):

Quarter Ended	Gross	Allowance	Net Billed	DBOs
2025:				
March 31	\$ 269,326	\$ (4,152)	\$ 265,174	66
June 30	262,975	(3,959)	259,016	66
September 30	272,355	(4,331)	268,024	64
2024:				
March 31	\$ 281,051	\$ (5,692)	\$ 275,359	67
June 30	270,934	(4,720)	266,214	66
September 30	284,740	(4,810)	279,930	64

As of September 30, 2025 and 2024, approximately 95%, for each period, of our net billed trade accounts receivable balances were less than 60 days past due.

We may experience adverse impacts to our DBOs if and when customer payment delays occur. However, the recurring monthly payments that cross a reporting period-end do not raise collectability concerns, as payment is generally received subsequent to quarter-end. All other changes in our gross and net billed accounts receivable reflect the normal fluctuations in the timing of customer payments at quarter-end, as evidenced by our relatively consistent DBO metric.

As a global provider of solutions and services, a portion of our trade accounts receivable balance relates to international customers. This diversity in the geographic composition of our customer base may adversely impact our DBOs as longer billing cycles (i.e., billing terms and cash collection cycles) are an inherent characteristic of international software and professional services transactions. As a result, we may experience fluctuations in our trade accounts receivable balance as our ability to invoice and collect arrangement fees is dependent upon, among other things: (i) the completion of various customer administrative matters, local country billing protocols and processes (including local cultural differences), and non-customer administrative matters; (ii) meeting certain contractual invoicing milestones and dates; (iii) the overall project status in certain situations in which we act as a subcontractor to another vendor on a project; or (iv) currency controls in certain foreign jurisdictions.

Unbilled Trade Accounts Receivable

Unbilled trade accounts receivable (current and non-current) increased \$11.9 million to \$92.1 million as of September 30, 2025, from \$80.2 million as of December 31, 2024. These unbilled trade accounts receivable balances relate primarily to implementation projects where various milestone billing dates have not yet been reached or are delayed and to timing related to billing cutoff or contractual billing dates. As discussed in Contract Termination above, as of September 30, 2025, \$16.8 million of the unbilled trade accounts receivable balance is related to an implementation project for a contract that we terminated in the third quarter of 2025. Unbilled trade accounts receivable are an inherent characteristic of certain software and services transactions and may fluctuate between quarters, as these types of transactions typically have scheduled invoicing terms over several quarters, as well as certain milestone billing events.

Income Taxes Receivable/Payable

Net income taxes receivable/payable (current and non-current) as of September 30, 2025 was a net income taxes receivable balance of \$4.0 million, compared to a net income taxes payable balance of \$7.9 million at December 31, 2024. This net \$11.9 million change was primarily due to the timing of our estimated federal and state income tax payments.

Cash Flows from Investing Activities. Our typical investing activities consist of purchases of software, property, and equipment, which are discussed below.

Purchases of Software, Property, and Equipment

Our capital expenditures for the nine months ended September 30, 2025 and 2024 for software, property, and equipment were \$11.2 million and \$16.5 million, respectively, and consisted principally of investments in software and related equipment and lease improvements.

Business Combinations, Net of Cash and Settlement Assets Acquired

The cash paid for the businesses acquired during the second quarter of 2024, less cash and settlement assets acquired, resulted in net cash provided by business combinations for the nine months ended September 30, 2024 of \$17.3 million.

Cash Flows from Financing Activities. Our financing activities typically consist of activities with our common stock, various debt-related transactions, and settlement and merchant reserve activity.

Cash Dividends Paid on Common Stock

During the nine months ended September 30, 2025 and 2024, our Board approved dividends totaling \$27.7 million and \$26.4 million, respectively, and we made dividend payments of \$27.4 million and \$26.6 million, respectively, with the differences between the amount approved and paid attributed to dividends accrued on unvested incentive shares that are paid upon vesting.

Repurchase of Common Stock

During the nine months ended September 30, 2025 and 2024, we repurchased approximately 703,000 and 716,000 shares of our common stock, respectively, under our Stock Repurchase Program for \$44.2 million and \$33.7 million, respectively.

Additionally, outside of our Stock Repurchase Program, during the nine months ended September 30, 2025 and 2024, we repurchased from our employees and then canceled approximately 223,000 and 172,000 shares of our common stock, respectively, for \$14.0 million and \$9.1 million, respectively, in connection with minimum tax withholding requirements resulting from the vesting of restricted stock under our stock incentive plans.

Through the nine months ended September 30, 2025 and 2024, we paid \$58.5 million and \$42.4 million, respectively, for our total repurchases of common stock, with any differences when compared to the amounts purchased attributed to the timing of the settlement and the excise tax imposed on share repurchases.

See Note 10 to our Financial Statements for additional discussion of our repurchases of common stock.

Long-Term Debt

During the first quarter of 2025, we borrowed \$10.0 million from our 2021 Revolver for general corporate purposes. In March 2025, we entered into the 2025 Credit Agreement and as a result, we borrowed \$140.6 million under the 2025 Revolver and repaid: (i) the outstanding 2021 Term Loan principal balance of \$125.6 million; (ii) the outstanding 2021 Revolver balance of \$10.0 million; and (iii) \$2.3 million of debt financing costs; with the remainder used for general corporate purposes. Subsequently, we have repaid \$15.6 million of the 2025 Revolver, leaving us with an outstanding balance of \$125.0 million.

During the nine months ended September 30, 2024 we made principal repayments on our 2021 Term Loan of \$5.6 million, and we borrowed and subsequently repaid \$15.0 million from our 2021 Revolver for general corporate purposes.

See Note 5 and Note 11 to our Financial Statements for additional discussion of our long-term debt.

Settlement and Merchant Reserve Activity

During the nine months ended September 30, 2025 and 2024, we had net settlement and merchant reserve activity of \$(43.7) million and \$(79.6) million, respectively, related to the cash collected, held on behalf, and paid to our merchants related to our payments services and the net change in deposits held on behalf of our merchants. These balances can significantly fluctuate between periods due to activity at the end of the period and the day in which the period ends.

See Note 2 to our Financial Statements for additional discussion of our settlement and merchant reserves.

Off-Balance Sheet Arrangements

Our off-balance sheet arrangements are mainly limited to money transmitter bonds, performance bonds, and a standby letter of credit. These arrangements do not have a material impact and are not reasonably likely to have a material future impact to our financial condition, results of operations, liquidity, capital expenditures, or capital resources. See Note 8 to our Financial Statements for additional information on these guarantees.

Capital Resources

The following are the key items to consider in assessing our sources and uses of capital resources:

Current Sources of Capital Resources. Below are the key items to consider in assessing our current sources of capital resources:

- Cash and Cash Equivalents. As of September 30, 2025, we had cash and cash equivalents of \$158.4 million, of which approximately 59% was in U.S. dollars and held in the U.S. For the remainder of the monies denominated in foreign currencies and/or located outside the U.S., we do not anticipate any material amounts being unavailable for use in funding our business, but may face limitations on moving cash out of certain foreign jurisdictions due to currency controls and potential negative economic consequences.
- Operating Cash Flows. As described in the Liquidity section above, we believe we have the ability to generate strong cash flows to fund our operating activities and act as a source of funds for our capital resource needs, although we may experience quarterly variations in our cash flows from operations related to the changes in our operating assets and liabilities.
- Revolving Loan Facility. In March 2025, we entered into the 2025 Credit Agreement which replaced our 2021 Credit Agreement. The 2025 Credit Agreement consists of a \$600.0 million revolving loan facility, our 2025 Revolver. As of September 30, 2025, we had \$125.0 million outstanding on the 2025 Revolver, and had issued standby letters of credit of \$0.2 million that count against our available 2025 Revolver balance, leaving \$474.8 million available to us. Our long-term debt obligations are discussed in more detail in Note 5 and 11 to our Financial Statements.

Uses/Potential Uses of Capital Resources. Below are the key items to consider in assessing our uses/potential uses of capital resources:

- Common Stock Repurchases and Cash Dividends. We have made repurchases of our common stock in the past under our Stock Repurchase Program. As of September 30, 2025, we had \$93.7 million authorized for repurchase remaining under our Stock Repurchase Program. Upon the announcement of the Merger Agreement, we have ceased any further repurchases.

Under our Stock Repurchase Program, we may repurchase shares in the open market or in privately negotiated transactions, including through an accelerated stock repurchase plan or under a SEC Rule 10b5-1 plan. The actual timing and amount of share repurchases are dependent on the current market conditions and other business-related factors. Our common stock repurchases are discussed in more detail in Note 10 to our Financial Statements.

During the nine months ended September 30, 2025, we repurchased approximately 703,000 shares of our common stock for \$44.2 million (weighted-average price of \$62.92 per share) under our Stock Repurchase Program.

Outside of our Stock Repurchase Program, during the nine months ended September 30, 2025, we repurchased from our employees and then cancelled approximately 223,000 shares of our common stock for \$14.0 million in connection with minimum tax withholding requirements resulting from the vesting of restricted common stock under our stock incentive plans.

During the nine months ended September 30, 2025, our Board declared dividends totaling \$27.7 million. Going forward, we expect to continue to pay cash dividends in the normal course, with the amount and timing subject to our Board's approval.

We expect to return in excess of \$100.0 million to our shareholders through combined common stock repurchases and cash dividends in 2025.

- Acquisitions. As a result of our previous acquisition activity, during the nine months ended September 30, 2025 we made \$0.3 million of deferred acquisition payments. Additionally, there are provisions for potential future earn-out payments of up to approximately \$12 million for DGIT and \$15.0 million for iCG tied to performance-based goals and a defined service period. The earn-out periods are through December 31, 2026 and June 3, 2027, respectively. During the nine months ended September 30, 2025, we made earn-out payments of \$5.1 million, which are included in our cash flows from operating activities. As of September 30, 2025, we have accrued \$14.7 million related to earn-out payments.

As of September 30, 2025, we have accrued \$3.2 million of transaction costs related to the proposed Merger discussed above. We expect to incur additional costs relating to the proposed Merger, such as financial advisory, legal, accounting, and other professional services fees, however, these additional costs cannot be estimated at this time.

As part of our growth strategy, we are continually evaluating potential business and/or asset acquisitions and investments in market share expansion with our existing and potential new customers and expansion into verticals outside the global communications market.

- Exit of Reseller Agreements. During 2023, we exited out of two reseller agreements that were acquired with the 2018 acquisition of Forte Payment Systems, Inc., at a total cost of \$9.9 million, of which \$1.8 million was paid in 2023, \$5.6 million was paid in 2024 and \$1.3 million was paid in 2025. The remaining \$1.2 million will be paid in 2026.
- Capital Expenditures. During the nine months ended September 30, 2025, we spent \$11.2 million on capital expenditures.
- Financing Agreements. We have financing agreements for certain of our internal use software. As of September 30, 2025, we have \$11.9 million related to these financing agreements included in current and non-current liabilities on our Balance Sheets. During the nine months ended September 30, 2025, we have made payments of \$6.3 million related to these financing agreements.

- **Long-Term Debt.** As of September 30, 2025, our long-term debt consisted of the following: (i) 2025 Credit Agreement Revolver borrowings of \$125.0 million; and (ii) 2023 Convertible Notes in the principal aggregate amount of \$425.0 million.

2025 Credit Agreement. The mandatory payments under our 2025 Credit Agreement for the next twelve months are the cash interest expense (based upon then-current interest rates) for the 2025 Revolver (assuming no further amounts are borrowed, and the amount is not paid down) of \$7.0 million. Should the Merger, discussed above, be consummated, this would result in the outstanding loans under the 2025 Credit Agreement being repaid and commitments thereunder being terminated at the closing.

2023 Convertible Notes. The 2023 Convertible Notes are convertible at the option of the note holders before June 15, 2028 upon the occurrence of certain events. Should the Merger be consummated, as discussed above, this would likely result in a conversion trigger for the note holders.

Our long-term debt obligations are discussed in more detail in Note 5 and 11 to our Financial Statements.

In summary, we expect to continue to have material needs for capital resources going forward, as noted above. We believe that our current cash and cash equivalents balances and our 2025 Revolver, together with cash expected to be generated in the future from our current operating activities, will be sufficient to meet our anticipated capital resource requirements for at least the next twelve months.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Market risk is the potential loss arising from adverse changes in market rates and prices. As of September 30, 2025, we are exposed to various market risks, including changes in interest rates, fluctuations and changes in the market value of our cash equivalents and settlement and merchant reserve assets, and changes in foreign currency exchange rates. We have not historically entered into derivatives or other financial instruments for trading or speculative purposes.

Interest Rate Risk

Long-Term Debt. The interest rate on our 2023 Convertible Notes is fixed, and thus, as it relates to our convertible debt borrowings, we are not exposed to changes in interest rates.

The interest rates on our 2025 Credit Agreement are based upon an adjusted SOFR rate (including a 0.10% credit spread adjustment) plus an applicable margin, or an ABR plus an applicable margin. See Note 5 to our Financial Statements for further details related to our long-term debt.

A hypothetical adverse change of 10% in the September 30, 2025 adjusted SOFR rate would not have a material impact upon our results of operations.

Market Risk

Cash and Cash Equivalents. Our cash and cash equivalents as of September 30, 2025 and December 31, 2024 were \$158.4 million and \$161.8 million, respectively. Certain of our cash balances are swept into overnight money market accounts on a daily basis, and at times, excess funds may be invested in low-risk institutional money market funds held at a major bank. We have minimal market risk for our cash and cash equivalents due to the relatively short maturities of the instruments.

Settlement and Merchant Reserve Assets. We are exposed to market risk associated with cash held on behalf of our merchants related to our payment processing services. As of September 30, 2025 and December 31, 2024, we had \$301.5 million and \$343.2 million, respectively, of cash collected on behalf of our merchants. The cash is held in accounts with various major financial institutions in the U.S. and Canada in an amount equal to at least 100% of the aggregate amount owed to our merchants. These balances can significantly fluctuate between periods due to activity at the end of the period and the day in which the period ends. Certain settlement assets are swept into overnight money market accounts on a daily basis.

Long-Term Debt. The fair value of our convertible debt is exposed to market risk. We do not carry our convertible debt at fair value but present the fair value for disclosure purposes (see Note 2 to our Financial Statements). Generally, the fair value of our convertible debt is impacted by changes in interest rates and changes in the price and volatility of our common stock. As of September 30, 2025, the fair value of the 2023 Convertible Notes was estimated at \$472.6 million, using quoted market prices.

Foreign Currency Exchange Rate Risk

Due to foreign operations around the world, our financial statements are exposed to foreign currency exchange risk due to the fluctuations in the value of currencies in which we conduct business. Our principal currency exposures include the British Pound, Euro, Australian Dollar, Saudi Riyal, and South African Rand. While we attempt to maximize natural hedges by incurring expenses in the same currency in which we contract revenue, the related expenses for that revenue could be in one or more differing currencies than the revenue stream. In particular, if the U.S. Dollar were to strengthen it would reduce the reported amount of our foreign-denominated cash, cash equivalents, trade receivables, revenue, and expenses that we translate into U.S. Dollars and report in our consolidated financial statements for, and as of the end of, each reporting period.

During the nine months ended September 30, 2025, we generated approximately 88% of our revenue in U.S. dollars. We expect that, in the foreseeable future, we will continue to generate a very large percentage of our revenue in U.S. dollars.

We have analyzed our foreign currency exposure as of September 30, 2025. A hypothetical adverse change of 10% in the September 30, 2025 exchange rates would not have had a material impact upon our results of operations.

Item 4. Controls and Procedures

(a) Disclosure Controls and Procedures

As required by Rule 13a-15(b), our management, including the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), conducted an evaluation as of the end of the period covered by this report of the effectiveness of our disclosure controls and procedures as defined in Rule 13a-15(e). Based on that evaluation, the CEO and CFO concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report.

(b) Internal Control Over Financial Reporting

As required by Rule 13a-15(d), our management, including the CEO and CFO, also conducted an evaluation of our internal control over financial reporting, as defined by Rule 13a-15(f), to determine whether any changes occurred during the quarter covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. Based on that evaluation, the CEO and CFO concluded that there has been no such change during the quarter covered by this report.

CSG SYSTEMS INTERNATIONAL, INC.
PART II. OTHER INFORMATION

Item 1. Legal Proceedings

From time-to-time, we are involved in litigation relating to claims arising out of our operations in the normal course of business. In the opinion of our management, we are not presently a party to any material pending legal proceedings.

Item 1A. Risk Factors

A discussion of our risk factors can be found in Item 1A. Risk Factors in our 2024 10-K. There were no material changes to the risk factors disclosed in our 2024 10-K during the third quarter of 2025, other than as set forth below related to the proposed Merger. Reference is made to "Macroeconomic Outlook" in Item 2. Management Discussion and Analysis of Financial Condition and Results of Operations for additional potential risks and uncertainties.

Risks Related to the Proposed Merger

The Merger may not be completed on the terms or timeline currently contemplated or at all, which could adversely affect our stock price, business, financial condition and results of operations.

On October 29, 2025, we entered into the Merger Agreement pursuant to which we have agreed to merge with Merger Sub and become a wholly owned subsidiary of Parent. The Merger Agreement provides that the consummation of the Merger is subject to certain conditions, including, among other things: (i) the adoption of the Merger Agreement and approval of the Merger by the holders of a majority of the outstanding Company Shares; (ii) the absence of any law or order prohibiting the consummation of the Merger; (iii) the expiration or early termination of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the approval of the Merger under certain other applicable antitrust and foreign investment regimes; (iv) no Company Material Adverse Effect having occurred; (v) compliance in all material respects on the part of the other party's covenants under the Merger Agreement; and (vi) the accuracy of the other party's representations and warranties, subject to certain standards set forth in the Merger Agreement. While it is currently anticipated that the Merger will be consummated by the end of 2026, there can be no assurance that the foregoing conditions will be satisfied in a timely manner or at all, or that an effect, event, development or change will not transpire that could delay or prevent these conditions from being satisfied.

If the Merger is not consummated for any reason, the trading price of our common stock may decline to the extent that the market price of the common stock reflects positive market assumptions that the Merger will be consummated, and the related benefits will be realized. We may also be subject to additional risks if the Merger is not completed, including:

- the requirement in the Merger Agreement that, under certain circumstances, we pay Parent a termination fee of \$82,000,000;
- incurring substantial costs related to the Merger, such as financial advisory, legal, accounting and other professional services fees that have already been incurred or will continue to be incurred until closing;
- limitations on our ability to attract and retain key personnel;
- reputational harm, including relationships with investors, customers, and business partners due to the adverse perception of any failure to successfully complete the Merger; and
- potential disruption to our business and distraction of our workforce and management team to pursue other opportunities that could be beneficial to us, in each case without realizing any of the benefits of having the Merger completed.

The pendency of the Merger could negatively impact our business, financial condition and results of operations.

The pendency of the Merger could adversely affect our business, financial condition and results of operations and may result in our inability to hire, or the departure of, key personnel. In connection with the Merger, some of our customers, suppliers, vendors, and other business partners may delay or defer decisions or may end their relationships with us, which could negatively affect our revenue, earnings, and cash flows, regardless of whether the Merger is completed. Similarly, our current and prospective employees may experience uncertainty about their future roles with us following the Merger, which may materially adversely affect our ability to attract and retain key personnel during the pendency of the Merger. In addition, competitors may target our existing customers by highlighting potential uncertainty and integration difficulties that may result from the Merger.

Until the completion of the Merger or the termination of the Merger Agreement in accordance with its terms, we are prohibited from entering into certain transactions and taking certain actions that might otherwise be beneficial to us and our stockholders.

From and after the date of the Merger Agreement and prior to completion of the Merger, the Merger Agreement restricts us from taking specified actions without the consent of Parent and requires us to use commercially reasonable efforts to conduct our business in the ordinary course of business consistent with past practice. These restrictions may prevent us from making changes to our business or organizational structure or from pursuing business opportunities that may arise prior to the completion of the Merger. Adverse effects arising from these restrictions during the pendency of the Merger could be exacerbated by any delays in the consummation of the Merger or the termination of the Merger Agreement. Additionally, the Merger Agreement contains certain provisions that, subject to certain exceptions, limit our ability to solicit alternative acquisition proposals. It is possible that these or other provisions in the Merger Agreement might discourage a potential competing acquirer that might have an interest in acquiring all or a significant part of our outstanding common stock from considering or proposing an acquisition or might result in a potential competing acquirer proposing to pay a lower per share price to acquire our common stock than it might otherwise have proposed to pay.

We have incurred, and will continue to incur, direct and indirect costs as a result of the Merger.

We have incurred, and will continue to incur, significant costs and expenses, including regulatory costs, fees for professional services and other transaction costs in connection with the Merger, for which we will receive little or no benefit if the Merger is not completed. There are a number of factors beyond our control that could affect the total amount or the timing of these costs and expenses. Many of these fees and costs will be payable by us even if the Merger is not completed and may relate to activities that we would not have undertaken other than to complete the Merger.

Litigation challenging the Merger Agreement may prevent the Merger from being consummated within the expected timeframe or at all.

Lawsuits may be filed in the future, against us, the Board, or other parties to the Merger Agreement, challenging the adequacy of the proxy disclosures or making other claims in connection with the Merger. Such lawsuits may be brought by purported stockholders or other interested parties, seeking, among other things, to enjoin consummation of the Merger. One of the conditions to the consummation of the Merger is that the consummation of the Merger is not restrained, made illegal, enjoined or prohibited by any order or legal or regulatory restraint or prohibition of a court of competent jurisdiction or any governmental entity. As such, if the plaintiffs in such potential lawsuits are successful in obtaining an injunction prohibiting the defendants from completing the Merger on the agreed upon terms, then such injunction may prevent the Merger from becoming effective within the expected timeframe or at all.

Even if successfully completed, there are certain risks to our stockholders from the Merger.

The amount of cash to be paid per share under the Merger Agreement is fixed at \$80.70 and will not be adjusted for changes in our business, assets, liabilities, prospects, outlook, financial condition, or operating results or in the event of any change in the market price of, analyst estimates of, or projections relating to, our common stock. The receipt of the all-cash per share merger consideration under the Merger Agreement is taxable to stockholders that are treated as U.S. holders for U.S. federal income tax purposes. If the Merger is completed, our stockholders will no longer hold an interest in the company and will forego the opportunity to realize the potential long-term value of the successful execution of our current strategy as an independent company.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table presents information with respect to purchases of our common stock made during the third quarter of 2025 by CSG Systems International, Inc. or any "affiliated purchaser" of CSG Systems International, Inc., as defined in Rule 10b-18(a)(3) under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

Period	Total Number of Shares Purchased (1) (2)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Program (2)	Maximum Dollar Value of Shares that May Yet Be Purchased Under the Plans or Program (2)
July 1 - July 31	95,887	\$ 63.38	95,374	\$ 105,230,609
August 1 - August 31	94,359	62.78	91,884	99,462,332
September 1 - September 30	89,054	65.14	88,194	93,715,854
Total	279,300	\$ 63.74	275,452	

- (1) This column includes 3,848 shares that were not part of a publicly announced plan or program and that were purchased and cancelled in connection with stock incentive plans.
- (2) In August 2023, our Board authorized the repurchase of \$100.0 million of common stock under our Stock Repurchase Program. In August 2024, our Board authorized an additional \$100.0 million of common stock repurchases under our Stock Repurchase Program, with all outstanding authorized repurchases to be completed by December 31, 2025. See Note 10 to our Financial Statements for additional information regarding our share repurchases under our Stock Repurchase Program.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

(c) Rule 10b5-1 Trading Plans

During the third quarter of 2025, none of our directors or officers (as defined in Rule 16a-1(f) under the Exchange Act) adopted, modified, or terminated any contract, instruction, or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act or any "non-Rule 10b5-1 trading arrangement" as defined in Item 408(c) of Regulation S-K.

Item 6. Exhibits

The Exhibits filed or incorporated by reference herewith are as specified in the Exhibit Index.

CSG SYSTEMS INTERNATIONAL, INC.
EXHIBIT INDEX

Exhibit Number	Description
2.1 (1) +	Agreement and Plan of Merger, dated as of October 29, 2025, by and among CSG Systems International, Inc., NEC Corporation and Canvas Transaction Company, Inc.
10.27AC*	Twenty-Sixth Amendment to the CSG Master Subscriber Management System Agreement between CSG Systems, Inc. and Comcast Cable Communications Management, LLC
10.28J*	Eleventh Amendment to the Consolidated CSG Master Subscriber Management System Agreement between CSG Systems, Inc. and Charter Communications Operating, LLC
10.28K*	Twelfth Amendment to the Consolidated CSG Master Subscriber Management System Agreement between CSG Systems, Inc. and Charter Communications Operating, LLC
31.01	Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.02	Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.01**	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH	Inline XBRL Taxonomy Extension Schema with Embedded Linkbase Documents
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

(1) Incorporated by reference to the exhibit of the same number to the Registrant's Current Report on Form 8-K for the event dated October 29, 2025.

+ Schedules omitted pursuant to Item 601(a)(5) of Regulation S-K. The Registrant agrees to furnish supplementally a copy of any omitted schedule to the SEC upon request.

* Portions of the exhibit have been omitted pursuant to SEC rules regarding confidential information.
 ** Furnished herewith.

The agreements and other documents filed as exhibits to this report are not intended to provide factual information or other disclosure other than with respect to the terms of the agreements or other documents themselves, and you should not rely on them for that purpose. In particular, any representations and warranties made by us in these agreements or other documents were made solely within the specific context of the relevant agreement or document and may not describe the actual state of affairs as of the date they were made or at any other time.

SIGNATURES

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

Dated: November 6, 2025

CSG SYSTEMS INTERNATIONAL, INC.

/s/ Brian A. Shepherd

Brian A. Shepherd
President and Chief Executive Officer
(Principal Executive Officer)

/s/ Hai Tran

Hai Tran
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

/s/ Lori J. Szwaneck

Lori J. Szwaneck
Chief Accounting Officer
(Principal Accounting Officer)

THIS DOCUMENT CONTAINS INFORMATION WHICH HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) WOULD BE COMPETITIVELY HARMFUL IF PUBLICLY DISCLOSED. SUCH EXCLUDED INFORMATION IS IDENTIFIED BY BRACKETS AND MARKED WITH (***).

TWENTY-SIXTH AMENDMENT
TO THE
CSG MASTER SUBSCRIBER MANAGEMENT SYSTEM AGREEMENT
BETWEEN
CSG SYSTEMS, INC.
AND
COMCAST CABLE COMMUNICATIONS MANAGEMENT, LLC

THIS TWENTY-SIXTH AMENDMENT (this “Twenty-Sixth Amendment”) is made by and between **CSG Systems, Inc.** (“CSG”) and **Comcast Cable Communications Management, LLC** (“Customer”). The effective date of this Twenty-Sixth Amendment is the date last signed below (the “Twenty-Sixth Amendment Effective Date”). CSG and Customer entered into a certain CSG Master Subscriber Management System Agreement (CSG document #4131273) with an effective date of January 1, 2020 (the “Agreement”) and now desire to further amend the Agreement in accordance with the terms and conditions set forth in this Twenty-Sixth Amendment. If the terms and conditions set forth in this Twenty-Sixth Amendment conflict with the Agreement, the terms and conditions of this Twenty-Sixth Amendment shall control. Any terms in initial capital letters or all capital letters used as a defined term but not defined in this Twenty-Sixth Amendment shall have the meaning set forth in the Agreement. Upon execution of this Twenty-Sixth Amendment by the Parties, any subsequent reference to the Agreement between the Parties shall mean the Agreement as amended by this Twenty-Sixth Amendment. Except as amended by this Twenty-Sixth Amendment, the terms and conditions set forth in the Agreement shall continue in full force and effect according to their terms.

WHEREAS, Customer and CSG entered into that certain Amended and Restated Ascendon Addendum (CSG doc no. 4131570) on December 16, 2019 (the “Ascendon Addendum”), which provided the Customer with the Ascendon System and Ascendon Services; and

WHEREAS, CSG and Customer agree to amend the Agreement to include a new requirement under PCI-DSS v4.0 Appendix A1.1.1 related to multi-tenant service providers.

NOW THEREFORE, Customer and CSG agree to the following as of the Twenty-Sixth Amendment Effective Date.

1. Section 14, “Privacy, Data Transfer and Security Obligations” in Attachment A, “General Terms and Conditions – Ascendon Services” of the Ascendon Addendum is hereby amended to add the following new subsection (f):

“(f) Ascendon Systems [***]. Customer agrees and acknowledges that in order for CSG to provide the Ascendon Services and the Comcast Ascendon Solutions [as defined in the Ascendon Service Order No. 2 (CSG document #33060) dated April 29, 2021], CSG will be [***] to the Ascendon System and the Comcast Ascendon Solutions, as reasonably necessary and required, unless and to the extent that such [***] is restricted by applicable law, in order to provide standard [***], including but not limited to, [***]. To protect Customer’s data within the Comcast Ascendon Solutions and the Ascendon System, CSG (i) will ensure Customer’s data in the Comcast Ascendon Solutions and Ascendon System has a [***] from other data that belongs to third parties within the multi-tenant environment of the Ascendon System, and (ii) will ensure that only [***] that are providing standard [***] as set forth in this Section will [***] the Ascendon System and the Comcast Ascendon Solutions.”

(REMAINDER OF PAGE LEFT BLANK)

IN WITNESS WHEREOF the Parties hereto have caused this Twenty-Sixth Amendment to be executed by their duly authorized representatives.

COMCAST CABLE COMMUNICATIONS MANAGEMENT, LLC

CSG SYSTEMS, INC.

By: Deepak Bharathan

By: Michael J. Woods

Name: Deepak Bharathan

Name: Michael Woods

Title: Vice President, Procurement

Title: EVP

Date: 11-07-25_____

Date:07/08/2025_____

THIS DOCUMENT CONTAINS INFORMATION WHICH HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) WOULD BE COMPETITIVELY HARMFUL IF PUBLICLY DISCLOSED. SUCH EXCLUDED INFORMATION IS IDENTIFIED BY BRACKETS AND MARKED WITH (***).

ELEVENTH AMENDMENT
TO
AMENDED AND RESTATED
CSG MASTER SUBSCRIBER MANAGEMENT SYSTEM AGREEMENT
BETWEEN
CSG SYSTEMS, INC.
AND
CHARTER COMMUNICATIONS OPERATING, LLC
(CSG document no. 54172)

This **Eleventh Amendment** (the “Amendment”) is made by and between **CSG Systems, Inc.**, a Delaware corporation (“CSG”), and **Charter Communications Operating, LLC**, a Delaware limited liability company (“Customer”). CSG and Customer entered into that certain Amended and Restated CSG Master Subscriber Management System Agreement effective as of January 1, 2022 (CSG document no. 44754), as amended (the “Agreement”), and now desire to further amend the Agreement in accordance with the terms and conditions set forth in this Amendment. If the terms and conditions set forth in this Amendment shall be in conflict with the Agreement, the terms and conditions of this Amendment shall control. Any terms in initial capital letters or all capital letters used as a defined term but not defined in this Amendment shall have the meaning set forth in the Agreement. Upon execution of this Amendment by the parties, any subsequent reference to the Agreement between the parties shall mean the Agreement as amended by this Amendment. Except as amended by this Amendment, the terms and conditions set forth in the Agreement shall continue in full force and effect according to their terms.

WHEREAS, CSG and Customer have agreed that CSG will provide and Customer will consume a new Service pursuant to which CSG will provide resources for intake, testing and development of Customer-requested new functionality or enhancements to CSG Products and Services consumed by Customer for agreed upon fees and hours; and

WHEREAS, CSG and Customer have agreed to amend Schedule C, “Recurring Services,” and Schedule F, “Fees,” accordingly for the new resource services and hours.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, CSG and Customer agree to the following as of the Amendment Effective Date (as defined below).

1. Schedule C of the Agreement entitled “Recurring Services,” will be amended to add a new Exhibit C-13, “Solutions Team Engagement Model (“STEM”) Services,” attached hereto as Attachment 1.
2. As a result, Schedule F, “Fees,” Section 1, “Processing,” subsection X, “Custom Implementation Services,” a new subsection “R,” Solutions Team Engagement Model (“STEM”) Services,” of the Agreement, shall be amended to add the new subsection “R,” as follows:

R. Solutions Team Engagement Model (“STEM”) Services

Description of Item/Unit of Measure		Frequency	Fee
1. First [*****] STEM [*****] Fees (Note 1) (Note 2) (Note 4) (Note 5)			
a. [*****]		[*****]	[\$*****]
2. Second and Third [*****] STEM [*****] Fees (Note 1) (Note 2) (Note 4) (Note 5)			
a. [*****]		[*****]	[\$*****]
b. [*****]		[*****]	[\$*****]

Description of Item/Unit of Measure		Frequency	Fee
c.	[*****]	[*****]	\$ [*****]
d.	[*****]	[*****]	\$ [*****]
e.	[*****]	[*****]	\$ [*****]

3. Additional STEM [*****] Fees (Note 3) (Note 4) (Note 5) (Note 6)

Note 1: During the [*****] periods beginning [*****], Customer agrees to purchase, and CSG agrees to provide, the STEM Services in [*****] of development [*****] period (the "[*****] STEM [*****]", which [*****] STEM [*****] shall be allocated over a [*****] period (with the first [*****] period beginning [*****] and ending [*****]). The [*****] STEM [*****] Fees will be invoiced by CSG, and paid by Customer, in [*****] equal [*****] installments with the first [*****] installment for the initial block of [*****] STEM [*****] being invoiced with Customer's [*****] billing. Any unused portion of the [*****] STEM [*****] will be forfeited by Customer at the expiration of the then [*****] period (i.e., upon [*****] of each [*****], and Customer shall not be entitled to a refund of fees, credit in dollars or provision of [*****] for any subsequent [*****] period. For clarification purposes, the STEM Services will automatically renew, and Customer will receive the [*****] STEM [*****] on [*****] of each [*****] for [*****] periods during the Term of the Agreement. Provided however, for the [*****] and [*****] periods, beginning [*****] (provided, nothing in the Eleventh Amendment to the Agreement (CSG document no. 54172) shall be deemed to extend the Term of the Agreement), Customer may elect, with [*****] advance written notification prior to the [*****] renewal (email is sufficient), a lower commitment of development [*****] invoiced as set forth in 2b, 2c, 2d, or 2e of the fee table above. Customer may request and CSG shall provide "Additional STEM [*****]" for projects or services, pursuant to the terms of the Additional STEM [*****] Fees set forth herein in the fee table above and Note 3 below.

Note 2: CSG will provide a dedicated, full-time STEM Lead.

Note 3: Additional STEM [*****] in [*****] of [*****] per each [*****] of Additional STEM [*****] will be available to Customer for a [*****] period in which Customer has committed to [*****] Additional STEM [*****] in such [*****] period will be forfeited. Each [*****] of Additional STEM [*****] will be invoiced to Customer by CSG on Customer's then-next invoice; unused [*****] will be allocated such that, on an [*****] basis, unless otherwise mutually agreed, not more than [*****] of the [*****] STEM [*****] or, as applicable, Additional STEM [*****] shall be available for development or feature functionality and enhancements of "core" (i.e., Customer-specific) [*****] Services. Notwithstanding the foregoing, CSG and Customer shall meet on a [*****] basis to discuss the allocation of STEM [*****] among STEM Projects for [*****] Services. For clarification purposes, [*****] STEM [*****] and Additional STEM [*****] will exclude services engagements such as mass data transformation, custom solutions, and consulting services.

Note 4: [*****] STEM [*****] and Additional STEM [*****] will be available to Customer for any CSG Products or Services consumed by Customer for development or feature enhancements; provided, however, and for purposes of clarification, CSG and Customer agree that specific to development or feature functionality and enhancement of [*****] Services, the STEM [*****] will be allocated such that, on an [*****] basis, unless otherwise mutually agreed, not more than [*****] of the [*****] STEM [*****] or, as applicable, Additional STEM [*****] shall be available for development or feature functionality and enhancements of "core" (i.e., Customer-specific) [*****] Services. Notwithstanding the foregoing, CSG and Customer shall meet on a [*****] basis to discuss the allocation of STEM [*****] among STEM Projects for [*****] Services. For clarification purposes, [*****] STEM [*****] and Additional STEM [*****] will exclude services engagements such as mass data transformation, custom solutions, and consulting services.

Note 5: CSG will provide Customer with a [*****] report within [*****] of the end of the prior [*****] of then-current [*****] STEM Hours and, as applicable, Additional STEM [*****], worked and, in the case of Additional STEM [*****], if and as requested by Customer, in accordance with the terms and conditions of the Agreement.

Note 6: In the event any [*****] of Additional STEM [*****] will overlap the [*****] of the [*****] STEM [*****], CSG shall draw down from the Additional STEM [*****], which shall not expire for projects that span the [*****] date, prior to utilizing the then next available [*****] STEM [*****].

THIS AMENDMENT is executed as of the date last signed below and effective as of the date last signed below, (the "Amendment Effective Date")

CHARTER COMMUNICATIONS OPERATING, LLC ("CUSTOMER")	CSG SYSTEMS, INC. ("CSG")
By: Charter Communications, Inc., its Manager	
By: <u>/s/ Kevin Brosnan</u>	By: <u>/s/ Michael J. Woods</u>
Name: <u>Kevin Brosnan</u>	Name: <u>Michael Woods</u>

Title:

GVP Billing Solutions

Date:

07/11/2025

Title:

EVP

Date:

07/11/2025

**Attachment 1
to
Eleventh Amendment**

Exhibit C-13

Solutions Team Engagement Model (“STEM”) Services

1. Customer has requested and CSG has agreed to provide a dedicated amount of development capacity, the Solutions Team Engagement Model (“STEM”) Services team (the “STEM Team”), to provide intake, testing and development of Customer-requested new feature functionality or enhancements to CSG Products and Services consumed by Customer (the “STEM Services”). Commencing [*****], and continuing [*****] thereafter for [***** (*)] total [***** (*)] periods of the Term of the Agreement, CSG shall make available up to [*****] STEM [*****] (the “[*****] STEM [*****]”) to Customer, pursuant to the Fees specified in Schedule F of the Agreement, to be used for such Customer requested STEM Services. For clarification purposes, mass data transformation, custom solutions, and consulting services are excluded from the STEM Services. For the avoidance of doubt, Customer and CSG acknowledge and agree that as of the Eleventh Amendment Effective Date, the Agreement expires on [*****, *****]. In the event the Agreement is extended beyond [*****], the STEM Services shall continue until [*****]. Nothing in the Eleventh Amendment shall be deemed to extend the Term of the Agreement.
 2. CSG will provide a full-time, dedicated CBU resource, at no cost to Customer, to be Customer’s primary point of contact related to STEM Services and the CSG lead of the STEM Team (the “STEM Lead”). The STEM Lead and a Customer-designated representative will work together to plan projects and new feature functionality and enhancements for the STEM Services.
 3. CSG and Customer shall create and build a mutually agreed upon process document (the “Process Document”), which the Parties will use to scope feature functionality and enhancements to document level of effort (“LOE”) including delivery deadlines and specifications, and to obtain Customer’s approval, and otherwise use to document the features functionality and enhancements groomed, developed and ultimately implemented to be made available in Customer’s Production environment. Each STEM Project mutually agreed upon electronically through the LOE Process Document will be enforceable to the same extent as if documented in a duly executed Statement of Work (the “LOE Approval Process”). Such Process Document shall include the following elements for each feature functionality and enhancement request (each a “STEM Project”):
 - a) LOE, Customer’s approval (email sufficient from Customer’s designated representative to CSG) to proceed with LOE, CSG’s agreement to LOE (email sufficient from CSG’s designated representative to Customer) technical specifications, objectives and delivery deadlines. CSG will configure and develop the STEM Project to accommodate the request detailed in the business requirements document (the “BRD”) and will decrement [*****] STEM [*****] or Additional STEM [*****], as the case may be, provided in the LOE Approval Process; and
 - b) Customer may terminate a STEM Project at any time upon written notice (email is sufficient) in the event delivery of the STEM Project does not meet the specifications as described in the STEM Project LOE approved by Customer. In such event, CSG will rework the STEM Project with no additional [*****] or Additional STEM [*****] allocated; and
 - c) in the event Customer requests termination of a STEM Project, Customer is obligated for STEM [*****] actually worked through the date of termination of such STEM Project which will be decremented from the [*****] STEM [*****] or Additional STEM [*****], as the case may be; and
 - d) as mutually agreed, as such Process Document may be revised from time to time.
 4. Customer may terminate the STEM Services for convenience upon no less than [***** (*)] prior
-

written notice. If Customer exercises its termination rights for the STEM Services, in addition to all other amounts then due and owing to CSG for STEM Services previously agreed to be provided and regardless of whether rendered, Customer shall pay CSG as follows:

- A [*****] fee that will be the difference between [*****] and the [*****] for any STEM Services work completed in then-current [*****] or Additional, as the case may be, STEM [*****]. For the avoidance of doubt, Customer is obligated to pay the [*****] fee for the then current [*****] period at any point at which Customer terminates STEM services.
- A [*****] fee of [*****] (as [*****] and not as [*****]) if Customer terminates the STEM Services for convenience and the effective date of termination of the STEM Services is prior to [*****].
- From and after [*****], a [*****] fee of [*****] (\$ [*****]) (as [*****] and not as [*****]) if Customer terminates the STEM Services for convenience and the effective date of termination of the STEM Services is prior to [*****, *****]. For the avoidance of doubt STEM Services end on [*****], and there is no termination fee after [*****].

Customer and CSG acknowledge that it is impractical and extremely difficult to determine the actual damages or lost revenues that may proximately result from Customer's termination of the STEM Services. Customer agrees that such amount is a reasonable estimation of the actual damages which CSG would suffer if CSG were to fail to receive the business contemplated in this Agreement. Nothing herein shall limit Customer's obligation to pay any fees that have accrued but have not been paid (whether or not invoiced) prior to Customer's termination of the STEM Services.

THIS DOCUMENT CONTAINS INFORMATION WHICH HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) WOULD BE COMPETITIVELY HARMFUL IF PUBLICLY DISCLOSED. SUCH EXCLUDED INFORMATION IS IDENTIFIED BY BRACKETS AND MARKED WITH (***).

TWELFTH AMENDMENT
TO
AMENDED AND RESTATED
CSG MASTER SUBSCRIBER MANAGEMENT SYSTEM AGREEMENT
BETWEEN
CSG SYSTEMS, INC.
AND
CHARTER COMMUNICATIONS OPERATING, LLC

SCHEDULE AMENDMENT

This Twelfth Amendment (the "Amendment") is made by and between **CSG Systems, Inc.**, a Delaware corporation ("CSG"), and **Charter Communications Operating, LLC**, a Delaware limited liability company ("Customer"). CSG and Customer entered into that certain Amended and Restated CSG Master Subscriber Management System Agreement effective as of January 1, 2022 (CSG document no. 44754), as amended (the "Agreement"), and now desire to further amend the Agreement in accordance with the terms and conditions set forth in this Amendment. If the terms and conditions set forth in this Amendment shall be in conflict with the Agreement, the terms and conditions of this Amendment shall control. Any terms in initial capital letters or all capital letters used as a defined term but not defined in this Amendment shall have the meaning set forth in the Agreement. Upon execution of this Amendment by the Parties, any subsequent reference to the Agreement between the Parties shall mean the Agreement as amended by this Amendment. Except as amended by this Amendment, the terms and conditions set forth in the Agreement shall continue in full force and effect according to their terms.

WHEREAS, CSG and Customer wish to extend the Initial Term (as defined in Section 1.2 of the Agreement), provide financial consideration for the extension of the Initial Term, increase the [REDACTED], and amend other terms and conditions in connection with the extension of the Initial Term.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, CSG and Customer agree to the following amendments to the Agreement effective as of the Twelfth Amendment Effective Date (defined below) unless a different date is specified as the effective date for any particular amendment contained herein:

1. CSG and Customer agree to increase the [REDACTED] from [REDACTED] to [REDACTED] and amend the definition of such term set forth in Schedule A (Definitions) of the Agreement. Therefore, Schedule A (Definitions), shall be amended by deleting and replacing in its entirety the following definition:

"[REDACTED]" shall mean the [REDACTED] during the Initial Term, as may be adjusted in accordance with the Agreement.

2. CSG and Customer agree to amend the Agreement to add certain definitions to Schedule A (Definitions) of the Agreement. Therefore, Schedule A (Definitions), shall be amended by adding the following definitions:

"ACP Connected Subscriber" shall have the meaning set forth in Schedule F.

"Ascendon Connected Subscriber" shall have the meaning set forth in Schedule F.

3. CSG and Customer agree to amend the Agreement to add and change certain definitions set forth in Schedule E (Fees) of the Agreement. Therefore, Schedule E (Fees), Section entitled “~~*****~~” is hereby deleted in its entirety and replaced with a new Section entitled “Definitions for Connected Subscriber, ACP Connected Subscriber and Ascendon Connected Subscriber” as follows:

Definitions for Connected Subscriber, ACP Connected Subscriber and Ascendon Connected Subscriber:

Connected Subscriber. A “Connected Subscriber” shall be defined as an ~~*****~~ or an ~~*****~~.

~~*****~~. An “~~*****~~” shall be defined as an active subscriber on CSG’s ~~*****~~ utilizing ~~*****~~ of Customer’s ~~*****~~ as identified in Customer’s subscriber master file and ledger activity report for ~~*****~~ on the ~~*****~~ processing ~~*****~~ of a processing ~~*****~~. As a point of clarification, in the event that a subscriber is utilizing several ~~*****~~ ~~*****~~ on a ~~*****~~ subscriber account on the ~~*****~~ processing ~~*****~~ of a processing ~~*****~~, such subscriber shall be counted as ~~*****~~. However, in the event that a subscriber is utilizing ~~*****~~ on ~~*****~~ separate subscriber accounts on the ~~*****~~ processing ~~*****~~ of a processing ~~*****~~, such subscriber shall be counted as ~~*****~~.

~~*****~~. An “~~*****~~” shall be defined as an active subscriber on CSG’s ~~*****~~ utilizing ~~*****~~ of Customer’s ~~*****~~ as identified in Customer’s active subscriber report for ~~*****~~ on the ~~*****~~ processing ~~*****~~ of a processing ~~*****~~. As a point of clarification, in the event that a subscriber is utilizing several ~~*****~~ ~~*****~~ on a ~~*****~~ subscriber account on the ~~*****~~ processing ~~*****~~ of a processing ~~*****~~, such subscriber shall be counted as ~~*****~~ Ascendon Connected Subscriber. However, in the event that a subscriber is utilizing ~~*****~~ on ~~*****~~ separate subscriber accounts on the ~~*****~~ processing ~~*****~~ of a processing ~~*****~~, such subscriber shall be counted as ~~*****~~. To further clarify, an Active Subscriber, as defined in Service Order No. 2 (CSG document no. 53018), with only ~~*****~~, will not count as an ~~*****~~.

4. CSG and Customer agree to extend the expiration of the Initial Term of the Agreement from March 31, 2028 to September 30, 2031. Therefore, Section 1.2, entitled “Term,” is hereby deleted in its entirety and replaced with the following:

1.2. Term. Unless earlier terminated pursuant to Section 6.1, this Agreement shall commence on the Effective Date and remain in effect thereafter for an initial term expiring September 30, 2031 (the “Initial Term”). “Term” means the Initial Term and any applicable additional term mutually agreed upon between the Parties (“Additional Term”).

5. CSG and Customer agree to remove the Technical Service ~~*****~~ Credit from the terms of the Agreement. Therefore, effective January 1, 2025, the following amendments are hereby made to the Agreement:

5.a. Section 3.2, entitled “Technical Services,” is hereby deleted in its entirety and replaced with the following:

3.2 Technical Services. During the Term of this Agreement, CSG shall provide certain consulting, development and/or integration services ("Technical Services") required by and described in one or more statements of work (each, a "Statement of Work"), which the Parties may mutually agree to in writing from time to time and which shall be substantially similar in form to Schedule D. The Parties may use an Expedited Statement of Work (also known as an "E-Statement of Work" or "E-SOW") in form substantially similar to Schedule D-2 for certain matters as they may agree, provided that with respect to each such matter: (a) Project Fees will not exceed \$-{} (inclusive of Reimbursable Expenses, if any), (b) the Completion Date will be {} than {} from the Commencement Date, (c) the Project will not include development or implementation of any feature enhancement projects, and (d) the E-SOW will not be subject to Change Orders, except Change Orders shall be permitted in order to terminate the E-SOW or to amend the E-SOW so long as such amendment of the E-SOW does not contradict the requirements set forth in (a) through (c) of this sentence. Customer will pay CSG any fee(s) set forth in a Statement of Work executed by both Parties, as well as any Reimbursable Expenses incurred in connection with the Technical Services performed by CSG, in accordance with the terms and conditions of this Agreement. CSG and Customer acknowledge that all Statements of Work shall form an integral part of this Agreement.

5.b. Section 4.4, entitled "Training," is hereby deleted in its entirety and replaced with the following:

4.4 Training

. CSG shall provide initial training and education services with respect to the operation of the Products and Services for the fees set forth in Schedule E. CSG may provide additional training and education Services to Customer upon request from time to time at an additional cost as identified in Schedule E or as agreed upon in a Statement of Work. Customer will have the right to make an {} of copies of the class materials and user items described in Schedule G for purpose of training across Customer's enterprise, including, without limitation, Customer's third-party vendors that subject to confidentiality obligations at least as protective to CSG as those provided in this Agreement.

5.c. The following definition shall be deleted in Schedule A (Definitions):

"Technical Service {} Credit" has the meaning set forth in Section 3.2."

5.d. The following sentence shall be deleted from Note 2 underneath the rate table set forth in Schedule F, ~~Fees~~, Section 1., CSG Services, Subsection VII., Technical Services:

"For clarity, the Technical Service {} Credit specified in Article 3.2 of the Agreement shall not count toward the {} SOW Resources Services {}."

6. CSG and Customer agree to amend the {} Adjustment to Fees applicable to the {} commencing {}, and ending {}, and to further amend the {} Adjustment to Fees applicable to the {} of the {}. Therefore, effective {}, Section 5.3, entitled "Adjustment to Fees," is hereby deleted in its entirety and replaced with the following:

5.3 Adjustment to Fees.

The Parties acknowledge and agree as follows: (i) the {} adjustment to fees applicable to the {} period beginning {}, was applied prior to the {} to the Agreement ({}); (ii) as part of the Twelfth Amendment, the Parties agreed to a {} adjustment to fees that should apply to the {} of the {} period beginning {} (more specifically, the period commencing {} and ending {}.

); and (iii) upon the execution of the Twelfth Amendment, CSG will provide Customer with an updated price file that reflects the then-current fees, as adjusted in accordance with the Twelfth Amendment, except for the [REDACTED] that were set forth in the Twelfth Amendment, which reflect then-current fees, and the applicable fees set forth in the [REDACTED]. For clarification purposes, the Parties acknowledge the [REDACTED] adjustment to fees with respect to the [REDACTED] shall not occur until [REDACTED]. During the [REDACTED], all fees included in this Agreement, except Materials as defined below, shall be increased [REDACTED] with such adjustment to fees effective on [REDACTED] of the applicable [REDACTED], as follows: (A) for the [REDACTED] of the [REDACTED] period beginning [REDACTED] (more specifically, the period commencing [REDACTED] and ending [REDACTED]), by [REDACTED] and (B) for each [REDACTED] thereafter with the [REDACTED] such [REDACTED] beginning [REDACTED], by [REDACTED] ("[REDACTED] Adjustment to Fees"). CSG may modify the fees payable by Customer for paper and envelopes ("Materials") at any time equal to documented increases to Materials costs that may be passed along to CSG from its Materials vendors. For avoidance of doubt, such fees payable by Customer for Materials shall not be subject to any other adjustment under this Section 5.3 other than increases attributable to CSG's vendors of the Materials as described herein. In addition, CSG agrees to pass through to Customer the amount of any documented decrease in Materials costs that may be provided to CSG from its Material vendors. Customer will be notified in writing (e-mail shall suffice) of any Materials price increases or decreases no less than [REDACTED] prior to the application of such change. CSG will provide to Customer, no later than the [REDACTED] of each [REDACTED] during the Term, a price file reflecting the then-current price for each Product and Service included in Schedule F. However, the prices described in Schedule E, as adjusted in accordance with this Section 5.3 and reflected on the [REDACTED] Adjustment to Fees, shall govern in the event of a discrepancy in the price file and any of the foregoing. If CSG or Customer determines that it has any inquiries or problems or believes there are errors or discrepancies with respect to any amounts identified in the price file, either party shall notify the other party (e-mail shall suffice) and the parties shall discuss such discrepancy and come to resolution within [REDACTED] of the date of such discrepancy notice.

7. CSG and Customer agree that based upon the [REDACTED] of the [REDACTED] BSC for video and high speed data, and residential voice Services into the [REDACTED] Fee and the [REDACTED] Fee, it is necessary to amend other provisions of the Agreement as a matter of cleanup. Therefore, effective [REDACTED], the following amendments are hereby made to the Agreement:

7.a. Section 6.2, entitled "Transition Assistance," Subsection (a), is hereby deleted in its entirety and replaced with the following:

(a) Customer (i) meets the minimum commitment of [REDACTED] charged at the [REDACTED] rate during the Transition Assistance Period and pays [REDACTED] of the [REDACTED] Fee, or (ii) pays any shortfalls related to the minimum commitment articulated in (i) above.

7.b. Section 6.4, entitled "Discontinuance Fee," Subsection (a), entitled "Non-Print and Mail Processing," is hereby deleted in its entirety and replaced with the following:

6.4 Discontinuance Fee. (a) Non-Print and Mail Processing. The Parties have mutually agreed upon the fees for Non-Print and Mail Products and Services provided hereunder based upon certain [REDACTED], and the [REDACTED] of this Agreement. Customer understands that without the certainty of [REDACTED] set forth in this Agreement, CSG would have been unwilling to provide the Products and Services in accordance with the terms set forth herein. Because of the difficulty in ascertaining CSG's actual damages for a termination of this Agreement by Customer without cause or other breach of this Agreement by Customer resulting in termination of this

Agreement by CSG, Customer agrees that, upon termination of this Agreement in its entirety for reasons other than by a Party pursuant to [REDACTED] or by Customer pursuant to [REDACTED], in addition to all other amounts then due and owing to CSG for Products and Services previously rendered, Customer will pay to CSG (as a liquidated damage and not as a penalty) an amount equal to the [REDACTED] of (i) and (ii) in which (i) equals the [REDACTED] of (a) the [REDACTED] Fee [REDACTED] by (b) the remaining [REDACTED] in the Term, and in which (ii) equals the [REDACTED] of (a) the [REDACTED] Fee [REDACTED] by (b) the unfulfilled portion of the [REDACTED] (the "Termination Discontinuance Fee (Processing)"). Customer agrees that such amount is a reasonable estimation of the actual damages which CSG would suffer if CSG were to fail to receive the business contemplated in this Agreement. The Parties agree that, excluding any other undisputed amounts due and owing to CSG at the time of such breach, the liquidated damages for non-Print and Mail Products and Services set forth in this section 6.4 shall be available to CSG only as set forth expressly in this subsection (a) to section 6.4, and, except as provided in subsection (b) to section 6.4, such liquidated damages shall be CSG's sole and exclusive remedy at law or equity for termination of this Agreement prior to the Term.

7.c. Section 12.7, entitled "Sale of [REDACTED]," is hereby deleted in its entirety and replaced with the following:

12.7 Sale of [REDACTED]. In the event that Customer [REDACTED], or Charter becomes [REDACTED], prior to the expiration of the then current Term to an [REDACTED] third party (a "Successor Entity"), Customer shall use commercially reasonable efforts to assign or transfer this Agreement to the Successor Entity. In the event that such Successor Entity does not assume this Agreement, regardless of whether by contract or operation of law, or otherwise include the Connected Subscribers under this Agreement in such Successor Entity's separate agreement with CSG, which must be executed within [REDACTED] of Customer's [REDACTED], either Party may terminate this Agreement and Customer agrees to pay to CSG (as a liquidated damage and not as a penalty), in addition to any other undisputed amounts due under this Agreement, an amount equal to the [REDACTED] of (i) and (ii) in which (i) equals the [REDACTED] of (a) the [REDACTED] Fee [REDACTED] by (b) the remaining [REDACTED] in the Term [REDACTED] by (c) [REDACTED], and in which (ii) equals the [REDACTED] of (a) the [REDACTED] Fee [REDACTED] by (b) the unfulfilled portion of the [REDACTED] by (c) [REDACTED] (for purposes of this Section 12.7 the "Assignment Discontinuance Fee (Non-Print and Mail)"). For clarification, the Parties agree Customer's payment obligations provided in Section 1.2 Term shall apply to the Additional Term in the event of a sale as provided herein during the Additional Term. In addition to the Assignment Discontinuance Fee (Non-Print and Mail), Customer agrees to pay CSG (as a liquidated damage and not as a penalty), an amount equal to (i) Customer's average [REDACTED] volume during the [REDACTED] immediately preceding the termination date [REDACTED] by (ii) the [REDACTED] of the then-current [REDACTED] statement processing rate provided in Schedule F [REDACTED] the [REDACTED] rate provided in Schedule F [REDACTED] by (iii) the remaining [REDACTED] in the Term [REDACTED] by (iv) [REDACTED] (for purposes of this Section 12.7 the "Assignment Discontinuance Fee (Print and Mail)"). Customer agrees that such amounts are a reasonable estimation of the actual damages which CSG would suffer if CSG were to fail to receive the business contemplated in this Agreement as a result of events occurring under this section 12.7.

In the event that CSG sells, divests or otherwise transfers all or substantially all of its assets, or CSG otherwise becomes subject to a [REDACTED], CSG shall assign or transfer this Agreement to the transferee upon notice to Customer and Customer will consent to such notice in advance; provided, however, if such assignment or transfer will be made to any [REDACTED]

_____) or with any of their Affiliates or successors (each a "Charter _____"), CSG may not assign or transfer this Agreement without the consent of Customer, which will not be withheld or delayed unreasonably. If CSG assigns this Agreement to, or becomes subject to the direct or indirect control of, any Charter _____, and Customer has a reasonable basis for objecting to such assignment, Customer may terminate this Agreement at any time within the _____ period following such assignment or change of Control and convert the Connected Subscribers to another provider, with no Termination Liability to CSG.

8. CSG and Customer desire to amend the Agreement to increase the amount of the security deposit CSG holds for Customer's postage. Therefore, Schedule C, Recurring Services, Exhibit C-2, Print and Mail Services, Section 3, Deposit, is hereby deleted in its entirety and replaced with the following:

3. **Deposit.** As of the Effective Date of this Agreement, CSG holds a security deposit equal to the estimated amount of disbursements for _____ as reasonably determined by CSG based upon the projected volume of applicable services to be performed _____ by CSG (the "Deposit") for the payment of the expenses described in Sections 2 and 3 of this Exhibit C-2 (the "Disbursements"). If Customer incurs Disbursements greater than the Deposit for any _____ period, Customer shall, within _____ of receipt of a request from CSG to increase the Deposit, pay CSG the additional amount to be added to the Deposit. CSG will return to Customer a portion of the Deposit if the Disbursements incurred by Customer on a _____ basis are less than the Deposit for _____. In addition to the foregoing, CSG shall have the right to apply the Deposit to the payment of any invoice from CSG which remains unpaid following the termination or expiration of this Agreement. Any portion of the Deposit that remains after the payment of all amounts due to CSG following the termination or expiration of this Agreement will be returned to Customer. Customer shall not be entitled to receive interest on the Deposit while it is maintained by CSG.

9. Effective _____, SCHEDULE E, "FEES," Section 1., "CSG SERVICES," Subsection 1.I., "Processing," Subsection 1.I.A., "Video, High Speed Data, and Residential Voice Services," Subsection 1.I.A.1. entitled "Basic Services Charge ("BSC") for Non-Rated Video, Non-Rated High-Speed Data and Residential Voice Services (per _____) (Note 1):" (including all referenced notes) shall be deleted in its entirety and replaced with a new Subsection 1.I.A.1. entitled "Basic Services Charge or BSC for Non-Rated Video, Non-Rated High-Speed Data and Residential Voice Services Consisting of (A) _____ Fee, and (B) _____ Fee:" as follows:

1. **Basic Services Charge or BSC for Non-Rated Video, Non-Rated High-Speed Data and Residential Voice Services Consisting of (A) _____ Fee, and (B) _____ Fee:**

A. _____ Fee – During each _____ of the Term, commencing as of _____, Customer shall be responsible for paying CSG the _____ Fee and the _____ Fee, which latter fee is a _____ fee based upon the _____ of _____ and _____, respectively. The _____ Fee and the _____ Fee are collectively referred to as the "Basic Services Charge" or "BSC" for Non-Rated Video, Non-Rated High-Speed Data, and Residential Voice Services. The Parties have mutually agreed upon the _____ BSC to be provided hereunder based upon certain _____ of processing activity and the Term.

1. "_____ Fee" (Note 1) (Note 2)

Description of Item/Unit of Measure	Frequency	Fee
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Processing Year 2025

Note 1: The [REDACTED] during the Term as it is based upon certain [REDACTED] of processing activity during the Term of the Agreement. In the event (i) Customer provides CSG with at least [REDACTED] advance written notice of Customer's anticipated date of completion of a [REDACTED] of any remaining subscribers of Customer's video, high speed data and voice subscribers from [REDACTED] prior to the end of the [REDACTED] and no later than [REDACTED] prior to the end of the [REDACTED], and (iii) Customer has demonstrated reasonable progress towards the [REDACTED] by such date communicated by Customer, then the Parties agree to discuss in good faith the possibility of CSG [REDACTED] with the understanding that the [REDACTED] shall be made by CSG, in its sole and absolute discretion, and will require the Parties to enter into a mutually agreed upon amendment to the Agreement setting forth the terms and conditions related to the [REDACTED]

Note 2: For clarification purposes, effective [REDACTED], Customer is no longer eligible for and shall not receive the [REDACTED] as described in Schedule E of the Agreement.

2. [REDACTED] Fee (per [REDACTED])" (Note 1) (Note 2) (Note 3)

Description of Item/Unit of Measure	Frequency	Fee
a. [REDACTED] Fee (per [REDACTED])	[REDACTED]	[REDACTED]
b. [REDACTED] Fee (per [REDACTED])	[REDACTED]	[REDACTED]

Note 1: With regard to the [REDACTED] Fee (per [REDACTED]), the rates applicable to an [REDACTED] shall apply until such subscriber no longer meets the definition of an [REDACTED] due to full [REDACTED] from CSG's [REDACTED] to CSG's [REDACTED]. As an example, if a subscriber has Customer's Video service on CSG's [REDACTED] and has Customer's Cable and HSD services on CSG's [REDACTED], such subscriber shall be considered an [REDACTED] period, CSG shall not charge Customer both the [REDACTED] and be charged the [REDACTED] Fee as such subscriber has not fully [REDACTED] to CSG's [REDACTED]. For avoidance of doubt, during a single [REDACTED] period, CSG shall not charge Customer both the [REDACTED] Fee (per [REDACTED]) and the [REDACTED] Fee (per [REDACTED]) for the same subscriber referenced in the preceding sentence. Also, for avoidance of doubt, the [REDACTED] Fees applicable to the purchase of one or more [REDACTED] (e.g., Customer's [REDACTED]) as further described in [REDACTED], are in addition to the [REDACTED] Fee (per [REDACTED]) and the [REDACTED] Fee (per [REDACTED]), as the case may be.

Note 2: Section 5.3 of the Agreement, Adjustment to Fees, does not apply to (i) the [REDACTED] Fee (per [REDACTED]) until [REDACTED], and (ii) the [REDACTED] Fee (per [REDACTED]) until [REDACTED].

Note3: For clarification purposes, many of the Products and Services listed in Schedule B (Products) and Schedule C (Recurring Services) indicating they are available for Customer's [REDACTED] (e.g., Lockbox Processing Reconciliation Services) are intended to support [REDACTED] and may not be applicable to [REDACTED].

The [REDACTED] BSC for Non-Rated Video, Non-Rated High-Speed Data, and Residential Voices Services includes the following:

[REDACTED]

[REDACTED]

[REDACTED]

Handwriting practice sheet with 10 rows of lines. Each row contains a series of dots forming a pattern, likely for tracing or letter formation practice. The patterns are arranged in a grid-like fashion across the rows.

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The _____ fee for Residential Voice Services includes the items that are currently listed above under the section entitled "The _____ BSC for Non-Rated Video, Non-Rated High-Speed Data, and Residential Voices Services includes the following:", as such items relate to Voice Services, and with the following points of clarification:

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10. CSG and Customer agree to include the _____ maintenance and support fees applicable to CSG's Product Configurator – Offer Export/Import Tool in the _____ BSC for Video and High-Speed Data, and Residential Voice Services. Therefore, Schedule E, Fees, Section 1., CSG Services, Subsection I., Processing, Subsection E., CSG's Product Configurator – Offer Export/Import, shall be deleted in its entirety.

11. CSG and Customer agree to amend the "Processing Capacity Tiers" related to CSG SmartLink® BOS (SLBOS) and Event Notification Interfaces (ENI). Therefore, Schedule E, Fees, Section 1., CSG Services, Subsection II., Interfaces, Subsection C., CSG SmartLink® BOS (SLBOS) and Event Notification Interfaces (ENI) (Note1), shall be deleted in its entirety and replaced with the following:

C. CSG SmartLink® BOS (SLBOS) and Event Notification Interfaces (ENI) (Note 1)

Description of Item/Unit of Measure	Frequency	Fee
1. Installation and Startup (Note 2)		
2. Interface Development and Technical Services (Note 3)		
3. Interface Certification Services for Non-Supported Third Party Applications (per) (Note 4)		
Processing Capacity Tiers		Fee
4. SLBOS and ENI Transactions ("TPS") (Notes 5-8)		
a. Reduced Fee Processing Level: Supporting up to		
b. Normal Fee Processing Level: Supporting up to		
c. Additional (per)		

Note 1: CSG will support only the current release plus the prior releases of SLBOS at any given time as such versions are defined by CSG, in its sole discretion. If Customer desires to continue maintenance coverage and CSG support, Customer shall be required to upgrade its production version of SLBOS, so as to maintain currency within its application and ensure CSG's ability to support Customer's version of the interface.

Note 2: All installation and startup services and the associated fees shall be set forth in a mutually agreed upon Statement of Work.

Note 3: Quote relates to interface development services and technical services requested by Customer relating to the client side integration of Customer's third party applications. All interface development services and Technical Services and the associated fees shall be set forth in a mutually agreed upon Statement of Work.

Note 4: Any interfaces, accomplished by Customer through any allowable and available SLBOS API and/or ENI API, must be certified by CSG prior to integration of such interfaces. The standard interface certification services shall be quoted using a any Technical Services that may be requested by Customer in relation to the of Customer's. Any services in relation to the and the associated fees shall be set forth in a mutually agreed upon Statement of Work. CSG will not unreasonably withhold certification of any interface.

Note 5: CSG agrees to begin invoicing Customer at the Reduced Fee Processing Level: plus any Additional effective CSG's obligation to honor the Reduced Fee Processing Level: Fees, (i) reaching the on or before and (ii) staying at or above the during the Term of the Agreement. In the event contingency (i) is not met or contingency (ii) ceases to be met by Customer, CSG (a) shall return to invoicing Customer, and Customer agrees to pay, at the Normal Fee Process Level: plus any Additional and (b) Customer agrees to pay any difference between the fees at the Reduced Fee Processing Level and the fees at the Normal Fee Processing Level for any period in which Customer's Fees, was not at or above the

Note 6: Customer's SLBOS processing will be reviewed and adjusted on a basis at the end of the during the Term (or any extended term) of the Agreement and the Transition Assistance Period. For the purpose of determining the processing level applicable to the the measurements (as measured per Note 7 below) on for each of the of the then-ending will be combined to create a list of measurements (the "Measurement List"). CSG shall provide a copy of the Measurement List to Customer no later than the of the immediately following the end of the. The lowest value on the Measurement List ("Determining Value") will be the value used to determine the processing level applicable going forward for the next ("New"). CSG will begin invoicing Customer for the New in the immediately following the end of the. For clarification purposes, SLBOS Fees shall in no event be less than the minimum of the processing level supporting up to each level as prescribed by the Transition Phase table in Note 5 specified above.

Note 7: measurements will consist of the average of measurements taken over intervals. The intervals will be calculated times an from. During any one period, the total number of transactions will be counted and then will be divided by to create the measurements.

Note 8: SLBOS "requests" shall include any upstream transaction that is generated by or on behalf of Customer from either a Customer or a third party application, excluding transactions associated with

.....
Note 9: The processing capacity tiers referenced in the table above are subject to normal transactional distribution during business hours. Customer agrees to maintain peak below of Customer's then current processing level during non-business hours.

12. CSG and Customer agree to amend the Agreement to address a new requirement under PCI-DSS related to multi-tenant service providers. Therefore, the Agreement is hereby amended by adding a new Section 9.2, entitled "Ascendon System Access," to Article 9, Miscellaneous, of Exhibit C-12, Ascendon Services, to provide as follows:

9.2 Ascendon System Customer acknowledges and agrees that in order to provide the Ascendon Services and the Customer Solution, CSG must have to the Ascendon System and the Customer Solution unless and to the extent that this is restricted by applicable law. To protect Customer's data within the Customer Solution and the Ascendon System, in accordance with CSG's data security obligations in Sections 10.6 -10.9 (i) will ensure Customer Data in the Customer Solution and Ascendon System has a from data that belongs to third parties within the multi-tenant environment of Ascendon System, and (ii) will ensure that only the Ascendon System and the Customer Solution.

13. CSG and Customer agree that based upon the restructuring of the BSC for video and high speed data, and residential voice Services into the Fee and the Fee, the shall expire and Customer shall no longer entitled to the effective Therefore, effective, the following amendments are hereby made to the Agreement:

13.a. Section 6.1(e) is hereby deleted in its entirety and replaced with the following:

(e) Customer may terminate this Agreement on notice, if at any time (i) CSG processes on its platform on its, and (ii) CSG's development of the Products and Services fails to meet material industry milestones related to North American cable and direct broadcast satellite communications industries (including FCC mandates and other federal regulatory requirements) or a of such development activities are intended to serve an industry vertical other than the North American cable and direct broadcast satellite communications industries, subject to reimbursement by Customer of actually paid to Customer under this Agreement. CSG agrees to certify on an annual basis (between January and March of each year beginning in calendar year 2023) to the on CSG's platform. CSG may provide such certification to Customer via email to Customer's Senior Vice President of Customer's Billing Strategy and Operations or a Customer representative of similar or higher authority.

13.b. Schedule F (Fees), Section entitled ".....," is hereby amended to add the following sentence to the end of the initial paragraph (and before Example 1):

"The Parties acknowledge and agree that effective, (i) the expired, and (ii) Customer is no longer eligible for and shall not receive the as described in Schedule F of the Agreement. For clarification purposes, Customer's obligation to reimburse any portion of the actually paid to Customer, as required under the Agreement, shall remain in effect."

14. CSG and Customer desire to amend the Agreement to remove the provisions related to the Therefore, Schedule

E. "Fees," Section 1, "CSG Services," Subsection I, "Processing," Subsection A., "Video, High Speed Data, and Residential Voice Services," is hereby deleted in its entirety and replaced with the following:

A. Video, High Speed Data, and Residential Voice Services

Subject to section i) below, entitled "Acquisition and Divestiture," Customer has agreed to _____ equal to the _____ If Customer fails to achieve the _____ during the Initial Term, Customer shall pay CSG an amount equal to (i) the then-current _____ by (ii) the unfulfilled portion of the _____ Such _____ shall be invoiced no later than ten days following the end of the Initial Term, and paid in accordance with Section 5.2, "Invoices and Payment," of the Agreement and shall be in addition to any other amounts due pursuant to the terms and conditions of the Agreement.

i) Acquisition and Divestiture. Customer and CSG agree the _____ shall be _____ in the case of an acquisition of subscribers for whom CSG is processing through the provision of the Products and Services, excluding print and mail services, under another agreement and such subscribers are brought under this Agreement as _____. The amount of the _____ to the _____ will be determined by _____ of the number of acquired subscribers at the time they are brought under this Agreement as _____ the number of whole _____ remaining to _____, and _____ the result to the current _____. The _____ shall be _____ in the case of a divestiture of _____ of the number of _____. The amount of the _____ to the _____ will be determined by _____ of the number of _____ at the time that such are no longer _____ under this Agreement by the number of whole _____ remaining to _____, and _____ the result from the current _____.

15. CSG shall provide Customer with an _____ in the amount of _____ (_____00) to be applied, from time to time, at Customer's request and to be used by Customer on future Professional or Technical Services on a fixed fee basis or time and materials basis at the then applicable Technical Services rate per hour and shall be provided by CSG to Customer after the _____. For clarification purposes, the _____ may not be used for work already contracted by Customer and must be allocated for work to start no later than _____. In the event of a termination of the Agreement in its entirety for any reason prior to any or all of the _____ taking effect pursuant to this Section 15, CSG shall not provide or be responsible for, nor shall Customer be due, any portion of the _____ that had not taken effect prior to the effective date of termination. Notwithstanding the foregoing, CSG acknowledges that Customer may use the _____ and apply the _____ against project fees arising from following fully executed Statements of Work as may be amended via Change Order from time to time:

SOW _____	CSG Support Resources for Billing Design (_____)
SOW _____	CSG Billing System Resource (_____)
SOW _____	CSG Support Resources for Billing Design (_____)
SOW _____	CSG Support Resources for Billing Design (_____)
SOW _____	CSG Support Resources for Billing Design (_____)
SOW _____	CSG Billing System Reporting Resource (_____)

SOW ██████████ CSG Resource for Billing Ops-Shared Services (████████████████████)
SOW ██████████ Ascendon Resource Support for Billing Design (████████████████████)

16. Contingent upon both Parties ██████████, CSG shall provide Customer with a ██████████ in the ██████████ (\$██████████) ██████████. CSG will commence providing the ██████████ on Customer's ██████████ following the ██████████.

17. This Amendment, upon execution, shall constitute a material definitive contract for CSG, and CSG is required to file a Form 8-K within four (4) business days after the Parties' full execution of this Amendment. Prior to the date hereof, the Parties agreed on the form of a press release to be issued by CSG in connection with the execution of this Amendment. CSG is authorized to issue such press release; provided any modifications to such agreed form shall require the prior written approval of Customer.

18. CSG and Customer agree to amend the Agreement to address the Parties' respective rights and obligations relating ██████████ involving any product or service provided to Charter or its Affiliates. Therefore, a new Section 12.19, entitled "██████████" is hereby added to the Agreement to provide as follows:

12.19 ██████████.

12.19.1 During the Term of the Agreement, CSG and its Affiliates shall not ██████████
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██████████
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12.19.2 During the Term of the Agreement, CSG and its Affiliates shall not ██████████
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12.19.3 Notwithstanding the foregoing, nothing in this Section 13 shall preclude CSG or its Affiliates (a) from responding to a subpoena or complying with a court order; (b) from commencing a ██████████ in the event that Charter or its Affiliates ██████████ against which CSG has a ██████████; and (c) from asserting any and all defensive claims and affirmative counterclaims in the event CSG or its Affiliates ██████████ by Charter or its Affiliates or a Charter Related Party on a ██████████.

As used in this Section 13, “~~_____~~” means a product or service that is ~~_____~~; and “~~_____~~” means products or services either (i) supplied to Charter or its Affiliates (directly or indirectly) by any manufacturer, vendor or supplier of Charter or its Affiliates, or (ii) provided by Charter or its Affiliates to any customers, subscribers or end-users of Charter or its Affiliates.

19. CSG and Customer agree to amend certain data security provisions set forth in the Agreement. Therefore, Section 10.9, entitled “Security Breach/Investigation; Security Review,” is hereby deleted in its entirety and replaced with the following:

10.9 Security Breach/Investigation; Security Review.

(a) In the event of a Data Breach Incident, CSG shall ~~_____~~ after it is ~~_____~~ a Data Breach Incident based upon ~~_____~~; (i) notify Customer in writing of the nature and extent of the Data Breach Incident (e-mail to Customer’s Chief Information Security Officer shall suffice) and, ~~_____~~; (ii) begin conducting an investigation to determine when and, if possible, how the Data Breach Incident occurred; (iii) cooperate and reasonably assist and provide Customer with necessary facts and information to assist Customer in investigating and assessing the extent and nature of the Data Breach Incident, without providing any confidential information of a third party or information that would, in the sole discretion of CSG’s Chief Information Security Officer, compromise the security of CSG’s information or systems (hereinafter collectively referred to as “CSG Security Incident Withholdings”), which will include reasonable cooperation: (a) with any ~~_____~~, (b) facilitating conversations with ~~_____~~ involved in the matter, and (c) making available ~~_____~~ required to comply with applicable laws or otherwise ~~_____~~ by Customer to conduct its investigation; and (iv) use all ~~_____~~ to ~~_____~~ remedy the Data Breach Incident and prepare a corrective action plan to prevent the occurrence of any similar Data Breach Incident, and inform the Customer ~~_____~~ as to the current status of such endeavors. For purposes of this Agreement, a “Data Breach Incident” means (i) ~~_____~~, and (ii) ~~_____~~.

(b) With respect to any notice of a Data Breach Incident, CSG shall ~~_____~~ follow the below ~~_____~~ and comply with the additional obligations set forth in this Section 10.9(b):

(i) In no event later than ~~_____~~ to Charter such Data Breach Incident by ~~_____~~ to the following Charter’s point of contacts:

a. IT Security Email: ~~_____~~;

b. Legal, Privacy & Cybersecurity Email: ~~_____~~; and

c. Business Contact Email: _____;

(ii) CSG shall (a) _____ take steps to halt any Data Breach Incident involving Charter Confidential Information or Customer Data, if ongoing; and (b) _____ use all commercially reasonable actions to prevent its recurrence and further possession, use, knowledge, disclosure or loss of Charter Confidential Information or Customer Data in contravention of this Section.

(iii) Within _____, CSG shall attempt to _____ with one or more of Charter's point of contacts noted in subsection (i) immediately above. Information for such _____ is the following: (i) IT Security Contact: _____; (ii) Legal, Privacy & Cybersecurity Contact: _____; and (iii) Business Contact: _____.

(iv) Within _____, CSG shall _____ incident report by providing to Charter an _____ of the details of the Data Breach Incident _____ to CSG at the time of the _____. CSG shall _____ provide Charter with _____ and _____ information as it continues its investigation (including, but not limited to, (i) _____ and (ii) _____). Charter may also contact CSG for additional information regarding the Data Breach Incident, and CSG shall _____ and (ii) _____ respond to such requests for additional information, subject to any CSG Security Incident Withholdings. Additionally, after CSG's investigation of the Charter Security Incident is completed, CSG will provide to Charter a _____ signed by CSG's Chief Information Security Officer (CISO), or equivalent, addressing the nature and scope of such Charter Security Incident, CSG's _____ as a result of the Charter Security Incident (e.g. _____), remedial actions taken to address the Charter Security Incident, and whether any _____ should be sent to Charter point of contacts noted in the above subsections by email.

(e) Customer may conduct a security review of CSG's assets, systems, software, policies, processes, and procedures used in conjunction with this Agreement at _____ period which security review shall include CSG's completion of a risk assessment questionnaire within a reasonable timeframe, but not more than _____ following the date of the request. Customer reserves the right to require the completion of an updated security review at _____ period, unless deficiencies are identified in the most recent security review. If any deficiencies are identified, CSG will take _____ to remediate the deficiencies at its own cost and expense. As part of this review, and upon request, CSG shall supply evidence or certification with respect to the controls required under this Agreement.

THIS AMENDMENT is executed on the days and year signed below to be effective as of the date last signed below (the "Twelfth Amendment Effective Date").

CHARTER COMMUNICATIONS OPERATING, LLC (“CUSTOMER”)

By: Charter Communications, Inc., its Manager

By: /s/ Stephanie Babin
Name: Stephanie Babin
Title: SVP, Billing Strategy & Design
Date: 09/04/2025

CSG SYSTEMS, INC. (“CSG”)

By: /s/ Michael J. Woods
Name: Michael Woods
Title: President, NA CMT
Date: 09/03/2025

**CERTIFICATION PURSUANT TO
SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002**

I, Brian A. Shepherd, certify that:

1. I have reviewed this report on Form 10-Q of CSG Systems International, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer 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 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: November 6, 2025

/s/ Brian A. Shepherd
Brian A. Shepherd
President and Chief Executive Officer

**CERTIFICATION PURSUANT TO
SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002**

I, Hai Tran, certify that:

1. I have reviewed this report on Form 10-Q of CSG Systems International, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer 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 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: November 6, 2025

/s/ Hai Tran
Hai Tran
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**

The certification set forth below is being submitted in connection with the Quarterly Report on Form 10-Q (the "Report") for the purpose of complying with Rule 13a-14(b) or Rule 15d-14(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and Section 1350 of Chapter 63 of Title 18 of the United States Code.

Brian A. Shepherd, the Chief Executive Officer and Hai Tran, the Chief Financial Officer of CSG Systems International Inc., each certifies that, to the best of his knowledge:

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

November 6, 2025

/s/ Brian A. Shepherd

Brian A. Shepherd
President and Chief Executive Officer

November 6, 2025

/s/ Hai Tran

Hai Tran
Executive Vice President and Chief Financial Officer
