

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended March 31, 2023

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

For the transition period from _____ to _____
Commission File Number 001-34675



SS&C TECHNOLOGIES HOLDINGS, INC.

(Exact name of Registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

71-0987913

(I.R.S. Employer
Identification No.)

80 Lambertson Road
Windsor, CT 06095

(Address of principal executive offices, including zip code)

860-298-4500

(Registrant's telephone number, including area code)

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

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

Large accelerated filer

Non-accelerated filer

Accelerated filer

Smaller reporting company

Emerging growth company

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

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

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

Title of each class

Trading Symbol

Name of each exchange on which registered

Common stock, par value \$0.01 per share

SSNC

The Nasdaq Global Select Market

There were 249,123,191 shares of the registrant's common stock outstanding as of April 25, 2023.

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SS&C Technologies Holdings, Inc., or "SS&C Holdings," is our top-level holding company. SS&C Technologies, Inc., or "SS&C," is our primary operating company and a wholly-owned subsidiary of SS&C Technologies Holdings, Inc. "We," "us," "our" and the "Company" mean SS&C Technologies Holdings, Inc. and its consolidated subsidiaries, including SS&C.

This Quarterly Report on Form 10-Q may contain 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. For this purpose, any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. Without limiting the foregoing, the words "believes", "anticipates", "plans", "expects", "estimates", "projects", "forecasts", "may", "assume", "intend", "will", "continue", "opportunity", "predict", "potential", "future", "guarantee", "likely", "target", "indicate", "would", "could" and "should" and similar expressions are intended to identify forward-looking statements. The important factors discussed under the caption "Risk Factors" in this Quarterly Report on Form 10-Q and in our Annual Report on Form 10-K for the year ended December 31, 2022, filed with the Securities and Exchange Commission on February 28, 2023, among others, could cause actual results to differ materially from those indicated by forward-looking statements made herein and presented elsewhere by management from time to time. We do not undertake an obligation to update its forward-looking statements to reflect future events or circumstances.

PART I

Item 1. Financial Statements

SS&C TECHNOLOGIES HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

(In millions, except per share data) (Unaudited)

	March 31, 2023	December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	\$ 433.3	\$ 440.1
Funds receivable and funds held on behalf of clients	429.2	966.3
Accounts receivable, net of allowance for credit losses of \$24.7 and \$21.7, respectively	811.0	778.6
Contract asset	45.0	42.3
Prepaid expenses and other current assets	156.2	193.8
Restricted cash and cash equivalents	2.5	3.3
Total current assets	1,877.2	2,424.4
Property, plant and equipment, net (Note 2)	326.6	343.9
Operating lease right-of-use assets	250.4	260.6
Investments (Note 3)	192.9	193.9
Unconsolidated affiliates (Note 4)	257.7	266.9
Contract asset	112.8	115.9
Goodwill (Note 6)	8,889.6	8,863.0
Intangible and other assets, net of accumulated amortization of \$3,598.9 and \$3,445.4, respectively	4,101.2	4,184.7
Total assets	\$ 16,008.4	\$ 16,653.3
Liabilities, Redeemable Noncontrolling Interest and Equity		
Current liabilities:		
Current portion of long-term debt (Note 7)	\$ 129.4	\$ 55.7
Client funds obligations	429.2	966.3
Accounts payable	41.4	49.5
Income taxes payable	83.7	34.3
Accrued employee compensation and benefits	140.3	235.8
Interest payable	0.2	28.4
Other accrued expenses	331.4	356.1
Deferred revenues	493.6	464.7
Total current liabilities	1,649.2	2,190.8
Long-term debt, net of current portion (Note 7)	6,909.6	7,023.9
Operating lease liabilities	228.2	237.0
Other long-term liabilities	232.1	225.8
Deferred income taxes	846.9	872.9
Total liabilities	9,866.0	10,550.4
Commitments and contingencies (Note 14)		
Redeemable noncontrolling interest (Note 3)	1.6	2.1
Stockholders' equity (Note 8):		
Preferred stock, \$0.01 par value per share, 5.0 million shares authorized; no shares issued	—	—
Class A non-voting common stock, \$0.01 par value per share, 5.0 million shares authorized; no shares issued	—	—
Common stock, \$0.01 par value per share, 400.0 million shares authorized; 272.3 million shares and 271.9 million shares issued, respectively, and 249.1 million shares and 251.0 million shares outstanding, respectively	2.7	2.7
Additional paid-in capital	5,168.7	5,111.6
Accumulated other comprehensive loss	(508.0)	(550.1)
Retained earnings	2,815.4	2,740.1
Cost of common stock in treasury, 23.2 and 20.9 million shares, respectively	(1,394.8)	(1,260.1)
Total SS&C stockholders' equity	6,084.0	6,044.2
Noncontrolling interest (Note 9)	56.8	56.6
Total equity	6,140.8	6,100.8
Total liabilities, redeemable noncontrolling interest and equity	\$ 16,008.4	\$ 16,653.3

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

SS&C TECHNOLOGIES HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In millions, except per share data) (Unaudited)

	Three Months Ended March 31,	
	2023	2022
Revenues:		
Software-enabled services	\$ 1,114.2	\$ 1,085.2
License, maintenance and related	248.5	209.8
Total revenues	<u>1,362.7</u>	<u>1,295.0</u>
Cost of revenues:		
Software-enabled services	631.0	595.5
License, maintenance and related	94.7	79.7
Total cost of revenues	<u>725.7</u>	<u>675.2</u>
Gross profit	<u>637.0</u>	<u>619.8</u>
Operating expenses:		
Selling and marketing	139.8	110.9
Research and development	118.2	105.8
General and administrative	98.9	111.3
Total operating expenses	<u>356.9</u>	<u>328.0</u>
Operating income	280.1	291.8
Interest expense, net	(111.9)	(49.3)
Other income (expense), net	5.4	(9.0)
Equity in earnings of unconsolidated affiliates, net	5.7	1.3
Loss on extinguishment of debt	(0.6)	—
Income before income taxes	<u>178.7</u>	<u>234.8</u>
Provision for income taxes	52.5	63.5
Net income	<u>126.2</u>	<u>171.3</u>
Net (income) loss attributable to noncontrolling interest	(0.2)	0.8
Net income attributable to SS&C common stockholders	<u>\$ 126.0</u>	<u>\$ 172.1</u>
Basic earnings per share attributable to SS&C common stockholders	\$ 0.50	\$ 0.67
Diluted earnings per share attributable to SS&C common stockholders	\$ 0.49	\$ 0.64
Basic weighted-average number of common shares outstanding	250.4	255.8
Diluted weighted-average number of common and common equivalent shares outstanding	257.0	267.6
Net income	\$ 126.2	\$ 171.3
Other comprehensive income (loss), net of tax:		
Change in unrealized gain on interest rate swaps	—	1.2
Foreign currency exchange translation adjustment	42.0	(28.3)
Change in defined benefit pension obligation	0.1	(1.1)
Total other comprehensive income (loss), net of tax	<u>42.1</u>	<u>(28.2)</u>
Comprehensive income	<u>168.3</u>	<u>143.1</u>
Comprehensive (income) loss attributable to noncontrolling interest	(0.2)	0.8
Comprehensive income attributable to SS&C common stockholders	<u>\$ 168.1</u>	<u>\$ 143.9</u>

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

SS&C TECHNOLOGIES HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions) (Unaudited)

	Three Months Ended March 31,	
	2023	2022
Cash flow from operating activities:		
Net income	\$ 126.2	\$ 171.3
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	165.9	165.6
Equity in earnings of unconsolidated affiliates, net	(5.7)	(1.3)
Distributions received from unconsolidated affiliates	15.0	—
Stock-based compensation expense	41.9	39.9
Net (gains) losses on investments	(1.0)	3.8
Amortization and write-offs of loan origination costs and original issue discounts	3.5	2.6
Loss on extinguishment of debt	0.6	—
Loss on sale or disposition of property and equipment	6.4	—
Deferred income taxes	(30.2)	(33.3)
Provision for credit losses	5.0	2.8
Changes in operating assets and liabilities, excluding effects from acquisitions:		
Accounts receivable	(35.3)	(32.4)
Prepaid expenses and other assets	38.7	7.9
Contract assets	0.1	(7.0)
Accounts payable	(9.3)	8.2
Accrued expenses and other liabilities	(155.7)	(186.5)
Income taxes prepaid and payable	59.6	48.8
Deferred revenue	29.1	(6.9)
Net cash provided by operating activities	<u>254.8</u>	<u>183.5</u>
Cash flow from investing activities:		
Cash paid for business acquisitions, net of cash acquired and asset acquisitions	—	(1,553.1)
Additions to property and equipment	(10.5)	(10.8)
Additions to capitalized software	(42.6)	(24.8)
Proceeds from sales / maturities of investments	0.9	2.5
Collection of other non-current receivables	2.4	2.7
Net cash used in investing activities	<u>(49.8)</u>	<u>(1,583.5)</u>
Cash flow from financing activities:		
Cash received from debt borrowings, net of original issue discount	145.0	1,632.1
Repayments of debt	(189.6)	(48.2)
Payment of deferred financing fees	—	(12.4)
Net decrease in client funds obligations	(541.9)	(156.9)
Proceeds from exercise of stock options	15.3	48.8
Withholding taxes paid related to equity award net share settlement	(0.1)	(0.5)
Purchases of common stock for treasury	(133.3)	(170.9)
Dividends paid on common stock	(50.7)	(51.1)
Net cash (used in) provided by financing activities	<u>(755.3)</u>	<u>1,240.9</u>
Effect of exchange rate changes on cash, cash equivalents and restricted cash	0.9	(4.5)
Net decrease in cash, cash equivalents and restricted cash	(549.4)	(163.6)
Cash, cash equivalents and restricted cash, beginning of period	1,337.6	3,171.4
Cash, cash equivalents and restricted cash and cash equivalents, end of period	<u><u>\$ 788.2</u></u>	<u><u>\$ 3,007.8</u></u>
Reconciliation of cash, cash equivalents and restricted cash and cash equivalents:		
Cash and cash equivalents	\$ 433.3	\$ 558.1
Restricted cash and cash equivalents	2.5	3.4
Restricted cash and cash equivalents included in funds receivable and funds held on behalf of clients	352.4	2,446.3
	<u><u>\$ 788.2</u></u>	<u><u>\$ 3,007.8</u></u>

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

SS&C TECHNOLOGIES HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(In millions) (Unaudited)

	Three Months Ended March 31, 2023								
	SS&C Stockholders								
	Common Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other		Treasury Stock	Noncontrol ling Interest	Total Stockholders' Equity
	Number of Issued Shares	Amount			Comprehensive (Loss) Income	Income			
Balance, at December 31, 2022	271.9	\$ 2.7	\$ 5,111.6	\$ 2,740.1	\$ (550.1)	\$ (1,260.1)	\$ 56.6	\$ 6,100.8	
Net income	—	—	—	126.0	—	—	0.2	126.2	
Foreign exchange translation adjustment	—	—	—	—	42.0	—	—	42.0	
Defined benefit pension adjustment	—	—	—	—	0.1	—	—	0.1	
Stock-based compensation expense	—	—	41.9	—	—	—	—	41.9	
Exercise of options, net of withholding taxes	0.4	—	15.2	—	—	—	—	15.2	
Cash dividends declared - \$0.20 per share	—	—	—	(50.7)	—	—	—	(50.7)	
Purchases of common stock	—	—	—	—	—	(134.7)	—	(134.7)	
Balance, at March 31, 2023	<u>272.3</u>	<u>\$ 2.7</u>	<u>\$ 5,168.7</u>	<u>\$ 2,815.4</u>	<u>\$ (508.0)</u>	<u>\$ (1,394.8)</u>	<u>\$ 56.8</u>	<u>\$ 6,140.8</u>	

	Three Months Ended March 31, 2022								
	SS&C Stockholders								
	Common Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other		Treasury Stock	Noncontrol ling Interest	Total Stockholders' Equity
	Number of Issued Shares	Amount			Comprehensive (Loss) Income	Income			
Balance, at December 31, 2021	269.1	\$ 2.7	\$ 4,895.7	\$ 2,293.0	\$ (242.0)	\$ (784.0)	\$ 57.8	\$ 6,223.2	
Net income	—	—	—	172.1	—	—	(0.8)	171.3	
Foreign exchange translation adjustment	—	—	—	—	(28.3)	—	—	(28.3)	
Net change in interest rate swaps	—	—	—	—	1.2	—	—	1.2	
Defined benefit pension adjustment	—	—	—	—	(1.1)	—	—	(1.1)	
Stock-based compensation expense	—	—	39.9	—	—	—	—	39.9	
Exercise of options, net of withholding taxes	1.0	—	48.5	—	—	—	—	48.5	
Cash dividends declared - \$0.20 per share	—	—	—	(51.1)	—	—	—	(51.1)	
Purchases of common stock	—	—	—	—	—	(170.9)	—	(170.9)	
Balance, at March 31, 2022	<u>270.1</u>	<u>\$ 2.7</u>	<u>\$ 4,984.1</u>	<u>\$ 2,414.0</u>	<u>\$ (270.2)</u>	<u>\$ (954.9)</u>	<u>\$ 57.0</u>	<u>\$ 6,232.7</u>	

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

SS&C TECHNOLOGIES HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1—Basis of Presentation and Principles of Consolidation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”). These accounting principles were applied on a basis consistent with those of the audited Consolidated Financial Statements contained in our Annual Report on Form 10-K for the year ended December 31, 2022, filed with the Securities and Exchange Commission (the “SEC”) on February 28, 2023 (the “2022 Form 10-K”). In the opinion of management, the accompanying unaudited Condensed Consolidated Financial Statements contain all adjustments (consisting of only normal recurring adjustments, except as noted elsewhere in the notes to the Condensed Consolidated Financial Statements) necessary for a fair statement of our financial position as of March 31, 2023, the results of our operations for the three months ended March 31, 2023 and 2022, and our cash flows for the three months ended March 31, 2023 and 2022. These statements do not include all of the information and footnotes required by GAAP for annual financial statements. The Condensed Consolidated Financial Statements contained herein should be read in conjunction with the audited Consolidated Financial Statements and footnotes as of and for the year ended December 31, 2022, which were included in the 2022 Form 10-K. The December 31, 2022 Consolidated Balance Sheet data were derived from audited financial statements but do not include all disclosures required by GAAP for annual financial statements. The results of operations for the three months ended March 31, 2023 are not necessarily indicative of the expected results for any subsequent quarters or the full year.

The accompanying unaudited condensed consolidated financial statements include the accounts of SS&C Technologies Holdings, Inc. and its subsidiaries, including a variable interest entity (“VIE”) for which we are the primary beneficiary. All intercompany balances and transactions have been eliminated in consolidation.

Recent Accounting Pronouncement Not Yet Effective

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. ASU 2020-04 provides optional expedients and exceptions for applying U.S. GAAP if certain criteria are met to contracts, hedging relationships and other transactions that reference LIBOR or another reference rate expected to be discontinued. In January 2021, the FASB issued ASU 2021-01, *Reference Rate Reform (Topic 848): Scope*. The update provides additional optional guidance on the transition from LIBOR to include derivative instruments that use an interest rate for margining, discounting or contract price alignment. The standard will ease, if warranted, the requirements for accounting for the future effects of the rate reform. Additionally, in December 2022, the FASB issued ASU 2022-06, *Reference Rate Reform: Deferral of the Sunset Date of Topic 848*, which deferred the sunset date of Topic 848 from December 31, 2022 to December 31, 2024 to align with the amended cessation date of LIBOR. A substantial portion of our indebtedness bears interest at variable interest rates, primarily based on USD-LIBOR. We continue to monitor the impact the discontinuance of LIBOR or another reference rate will have on our contracts, hedging relationships and other transactions. We will apply the guidance to impacted transactions during the transition period. The adoption of this standard does not have a material impact on our financial position, results of operations or cash flows.

Note 2—Property, Plant and Equipment, net

Property, plant and equipment and the related accumulated depreciation are as follows (in millions):

	March 31, 2023	December 31, 2022
Land	\$ 37.2	\$ 39.3
Building and improvements	264.9	279.2
Equipment, furniture, and fixtures	529.1	523.7
	831.2	842.2
Less: accumulated depreciation	(504.6)	(498.3)
Total property, plant and equipment, net	<u>\$ 326.6</u>	<u>\$ 343.9</u>

Depreciation expense for the three months ended March 31, 2023 and 2022 was \$19.0 million and \$19.2 million, respectively. As of March 31, 2023 and December 31, 2022, property, plant and equipment assets, net of \$10.1 million and \$8.7 million, respectively, have been reclassified as held for sale and are presented in prepaid expenses and other current assets in our condensed consolidated balance sheet. Unpaid property, plant and equipment additions of \$6.1 million are included in accounts payable and other accrued expenses as of March 31, 2023 in our condensed consolidated balance sheet.

Note 3—Investments

Investments are as follows (in millions):

	March 31, 2023	December 31, 2022
Non-marketable equity securities	\$ 124.0	\$ 124.0
Seed capital investments	31.3	30.6
Marketable equity securities	24.4	24.3
Partnership interests in private equity funds	13.2	15.0
Total investments	<u>\$ 192.9</u>	<u>\$ 193.9</u>

Realized and unrealized gains and losses for our equity securities are as follows (in millions):

	Three Months Ended March 31,	
	2023	2022
Unrealized gains (losses) on equity securities held as of the end of the period	\$ 2.3	\$ (3.9)
Realized losses for equity securities sold during the period	—	(0.1)
Total gains (losses) recognized in other income, net	<u>\$ 2.3</u>	<u>\$ (4.0)</u>

Fair Value Measurement

Authoritative accounting guidance on fair value measurements establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers include: Level 1, defined as observable inputs such as quoted prices in active markets; Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs for which little or no market data exists, therefore requiring an entity to develop its own assumptions.

As of March 31, 2023 and December 31, 2022, we held certain investment assets and certain liabilities that are required to be measured at fair value on a recurring basis. These investments include money market funds and marketable equity securities where fair value is determined using quoted prices in active markets. Accordingly, the fair value measurements of these investments have been classified as Level 1 in the tables below. Investments for which we elected net asset value as a practical expedient for fair value and investments measured using the fair value measurement alternative are excluded from the tables below. Fair value for deferred compensation liabilities that are credited with deemed gains or losses of the underlying hypothetical investments, primarily equity securities, have been classified as Level 1 in the tables below.

The following tables present assets and liabilities measured at fair value on a recurring basis (in millions):

	March 31, 2023	Fair Value Measurements at Reporting Date Using		
		Quoted prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money market funds (1)	\$ 293.5	\$ 293.5	\$ —	\$ —
Seed capital investments (2)	31.3	31.3	—	—
Marketable equity securities (2)	24.4	24.4	—	—
Deferred compensation liabilities (3)	(13.0)	(13.0)	—	—
Total	<u>\$ 336.2</u>	<u>\$ 336.2</u>	<u>\$ —</u>	<u>\$ —</u>

	December 31, 2022	Fair Value Measurements at Reporting Date Using		
		Quoted prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money market funds (1)	\$ 674.5	\$ 674.5	\$ —	\$ —
Seed capital investments (2)	30.6	30.6	—	—
Marketable equity securities (2)	24.3	24.3	—	—
Deferred compensation liabilities (3)	(13.6)	(13.6)	—	—
Total	<u>\$ 715.8</u>	<u>\$ 715.8</u>	<u>\$ —</u>	<u>\$ —</u>

- (1) Included in Cash and cash equivalents and Funds receivable and funds held on behalf of clients on the Condensed Consolidated Balance Sheet.
- (2) Included in Investments on the Condensed Consolidated Balance Sheet.
- (3) Included in Other long-term liabilities on the Condensed Consolidated Balance Sheet.

We have partnership interests in various private equity funds that are not included in the tables above. Our investments in private equity funds were \$13.2 million and \$15.0 million at March 31, 2023 and December 31, 2022, respectively, of which \$10.4 million and \$10.8 million, respectively, were measured using net asset value as a practical expedient for fair value and \$2.8 million and \$4.2 million, respectively, were accounted for under the equity method of accounting. The investments in private equity funds represent underlying investments in domestic and international markets across various industry sectors.

Generally, our investments in private equity funds are non-transferable or are subject to long holding periods, and withdrawals from the private equity firm partnerships are typically not permitted. The maximum risk of loss related to our private equity fund investments is limited to the carrying value of its investments in the entities.

We add new investment products such as mutual funds and exchange traded funds, through our subsidiary, ALPS Advisors, from time to time by providing the initial cash investments as seed capital. We consolidate seed capital investments when our ownership percentage exceeds 50%. Shares in those investments not owned by us are reflected as a redeemable noncontrolling interest on the condensed consolidated balance sheet.

Note 4—Unconsolidated Affiliates

Investments in unconsolidated affiliates are as follows (in millions):

	Ownership Percentage	March 31, 2023		December 31, 2022	
		Carrying Value	Excess carrying value of investment over proportionate share of net assets	Carrying Value	Excess carrying value of investment over proportionate share of net assets
Orbit Private Investments L.P.	9.8%	\$ 120.2	\$ —	\$ 115.3	\$ —
International Financial Data Services L.P.	50.0%	71.2	33.9	85.1	34.8
Pershing Road Development Company, LLC	50.0%	10.5	57.3	10.6	57.9
Broadway Square Partners, LLP	50.0%	53.8	30.1	53.8	30.3
Other unconsolidated affiliates		2.0	—	2.1	—
Total		<u>\$ 257.7</u>	<u>\$ 121.3</u>	<u>\$ 266.9</u>	<u>\$ 123.0</u>

Investments in unconsolidated affiliates are accounted for under the equity method of accounting. We record our proportionate share of the results of the unconsolidated affiliates and amortization expense related to basis differences in Equity in earnings of unconsolidated affiliates, net on the Condensed Consolidated Statements of Comprehensive Income.

Equity in earnings of unconsolidated affiliates, net are as follows (in millions):

	Three Months Ended March 31,	
	2023	2022
Orbit Private Investments L.P.	\$ 4.8	\$ —
International Financial Data Services L.P.	1.1	0.5
Pershing Road Development Company, LLC	(0.2)	0.3
Broadway Square Partners, LLP	0.1	0.5
Other unconsolidated affiliates	(0.1)	—
Total	<u>\$ 5.7</u>	<u>\$ 1.3</u>

Note 5—Acquisitions

The following unaudited pro forma information is provided for illustrative purposes only and assumes that the acquisitions of Blue Prism Group plc (“Blue Prism”), Hubwise Holdings Limited (“Hubwise”), 5 M’s Minerals Management, LLC (“MineralWare”), the sell-side Tier1 customer relationship management business (“Tier1”) and Complete Financial Ops, Inc. (“CFO”) occurred on January 1, 2021, after giving effect to certain adjustments, including amortization of intangibles, interest, transaction costs and tax effects. This unaudited pro forma information (in millions) should not be relied upon as being indicative of the historical results that would have been obtained if the acquisitions had actually occurred on those dates, nor of the results that may be obtained in the future.

	Three Months Ended March 31,	
	2023	2022
Revenues	\$ 1,362.7	\$ 1,356.4
Net income	\$ 125.9	\$ 156.0

During the three months ended March 31, 2023 and 2022, we recorded severance expense related to personnel reductions in several of our financial services and healthcare businesses. The amount of severance expense recognized in our Condensed Consolidated Statements of Comprehensive Income for the three months ended March 31, 2023 and 2022 was as follows (in millions):

Consolidated Statements of Comprehensive Income Classification	Three Months Ended March 31,	
	2023	2022
Cost of software-enabled services	\$ 8.2	\$ 14.3
Cost of license, maintenance and other related	0.6	0.9
Total cost of revenues	8.8	15.2
Selling and marketing	1.4	0.4
Research and development	1.6	6.1
General and administrative	0.2	0.3
Total operating expenses	3.2	6.8
Total severance expense	\$ 12.0	\$ 22.0

Note 6—Goodwill

The change in carrying value of goodwill as of and for the three months ended March 31, 2023 is as follows (in millions):

Balance at December 31, 2022	\$ 8,863.0
Adjustments to prior acquisitions	(0.5)
Effect of foreign currency translation	27.1
Balance at March 31, 2023	\$ 8,889.6

Note 7—Debt

At March 31, 2023 and December 31, 2022, debt consisted of the following (in millions):

	March 31, 2023	December 31, 2022
Senior secured credit facilities, weighted-average interest rate of 6.74% and 6.27%, respectively	\$ 5,009.7	\$ 5,129.1
5.5% senior notes due 2027	2,000.0	2,000.0
Senior secured credit facilities revolving portion, weighted-average interest rate of 6.11%	75.0	—
Other indebtedness	0.6	0.8
Unamortized original issue discount and debt issuance costs	(46.3)	(50.3)
	7,039.0	7,079.6
Less: current portion of long-term debt	129.4	55.7
Long-term debt	\$ 6,909.6	\$ 7,023.9

The table below provides a summary of the key terms of our Senior Secured Credit Facilities and Senior Notes:

	Amount Outstanding at March 31, 2023 (in millions)	Maturity Date	Scheduled Quarterly Payments Required
Senior Secured Credit Facilities			
Term Loan B-3	\$ 1,093.0	April 16, 2025	0.25%
Term Loan B-4	969.3	April 16, 2025	0.25%
Term Loan B-5	1,645.6	April 16, 2025	0.25%
Term Loan B-6	519.3	March 22, 2029	0.25%
Term Loan B-7	782.5	March 22, 2029	0.25%
Revolving Credit Facility	75.0	December 28, 2027	None
Senior Notes	2,000.0	September 30, 2027	None

Fair Value of Debt

The carrying amounts and fair values of financial instruments are as follows (in millions):

	March 31, 2023		December 31, 2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial liabilities:				
Senior secured credit facilities	\$ 4,966.6	\$ 5,006.4	\$ 5,082.2	\$ 5,069.0
5.5% senior notes due 2027	1,996.8	1,945.1	1,996.6	1,880.9
Senior secured credit facilities, revolving portion	75.0	74.2	—	—
Other indebtedness	0.6	0.6	0.8	0.8

The above fair values, which are Level 2 liabilities, were computed based on comparable quoted market prices. The fair values of cash, accounts receivable, net, short-term borrowings, and accounts payable approximate the carrying amounts due to the short-term maturities of these instruments.

Note 8—Stockholders' Equity

Stock repurchase program

In July 2021, our Board of Directors authorized a stock repurchase program, which enabled us to repurchase up to \$1 billion in the aggregate of our outstanding common stock on the open market or in privately negotiated transactions until the one-year anniversary of the Board's authorization, unless earlier terminated by the Board. In July 2022, our Board of Directors authorized a new stock repurchase program, which also enables us to repurchase up to \$1 billion in the aggregate of our outstanding common stock on the open market or in privately negotiated transactions. Our authority to repurchase shares under the program will continue until the one-year anniversary of the Board's authorization, unless earlier terminated by the Board. During the three months ended March 31, 2023, we repurchased 2.3 million shares of common stock for approximately \$134.7 million. During the three months ended March 31, 2022, we repurchased 2.3 million shares of common stock for approximately \$170.9 million. We use the cost method to account for treasury stock purchases. Under the cost method, the price paid for the stock is charged to the treasury stock account.

Dividends

We paid a quarterly cash dividend of \$0.20 per share of common stock in each of March 2023 and March 2022 totaling \$50.7 million and \$51.1 million, respectively.

Accumulated Other Comprehensive Loss

Accumulated other comprehensive loss balances, net of tax, consist of the following (in millions):

	Foreign Currency Translation	Defined Benefit Obligation	Accumulated Other Comprehensive Loss
Balance, December 31, 2022	\$ (549.0)	\$ (1.1)	\$ (550.1)
Net current period other comprehensive income	\$ 42.0	\$ 0.1	\$ 42.1
Balance, March 31, 2023	\$ (507.0)	\$ (1.0)	\$ (508.0)

Adjustments to accumulated other comprehensive loss are as follows (in millions):

	Three Months Ended March 31,			
	2023		2022	
	Pretax	Tax Effect	Pretax	Tax Effect
Interest Rate Swap				
Unrealized gains (losses) on interest rate swaps	\$ —	\$ —	\$ 3.2	\$ (0.4)
Reclassification of gains into net earnings on interest rate swaps	—	—	(1.6)	—
Net change in cash flow hedges	—	—	1.6	(0.4)
Defined Benefit Pension				
Unrealized net gains (losses) on defined benefit pension plan	—	0.1	(0.3)	(0.8)
Foreign Currency Translation				
Current period translation adjustments	44.2	(2.2)	(29.8)	1.5
Total other comprehensive income (loss)	\$ 44.2	\$ (2.1)	\$ (28.5)	\$ 0.3

Note 9—Variable Interest Entity

On July 15, 2021, we entered into an agreement whereby we obtained an 80.2% interest in DomaniRx, LLC (“DomaniRx”), a variable interest entity under GAAP. We have the power to direct the majority of the activities of DomaniRx that most significantly impact its economic performance, the obligation to absorb losses and the right to receive benefits from DomaniRx. Accordingly, we determined that we are the primary beneficiary of DomaniRx and consolidate its results.

The carrying value of the assets and liabilities associated with DomaniRx included in our condensed consolidated balance sheet as of March 31, 2023, which are limited for use in its operations and do not have recourse against our general credit or our senior secured credit facilities, are as follows:

	March 31,	
	2023	2022
Assets:		
Cash and cash equivalents	\$ 130.2	\$ 145.0
Intangible assets	169.0	142.9
Other assets	2.3	1.3
Liabilities:		
Other liabilities	15.5	1.3

Note 10—Revenues

We generate revenues primarily through our software-enabled services. Our software-enabled services are generally provided under contracts with initial terms of one to five years that require monthly or quarterly payments and are subject to automatic annual renewal at the end of the initial term unless terminated by either party. We also generate revenues by licensing our software to clients through either perpetual or term licenses and by selling maintenance services. We classify license revenues related to sales-based royalty arrangements as term license revenue. Maintenance services are generally provided under annually renewable contracts. Our pricing typically scales as a function of our clients’ assets under management, the complexity of asset classes managed, the volume of transactions and the level of service the client requires. Revenues from professional services consist mostly of services provided on a time and materials basis.

Deferred revenues primarily represent unrecognized fees billed or collected for maintenance and professional services. Deferred revenues are recognized as (or when) we perform under the contract. Deferred revenues are recorded on a net basis with contract assets at the contract level. Accordingly, as of March 31, 2023 and December 31, 2022, approximately \$57.8 million and \$68.0 million, respectively, of deferred revenue is presented net within contract assets arising from the same contracts. The amount of revenues recognized in the period that was included in the opening deferred revenues balance was \$172.3 million and \$106.1 million for the three months ended March 31, 2023 and 2022, respectively.

As of March 31, 2023, revenue of approximately \$977.1 million is expected to be recognized from remaining performance obligations for license, maintenance and related revenues, of which \$479.2 million is expected to be recognized over the next twelve months.

We record revenue net of any taxes assessed by governmental authorities.

Revenue Disaggregation

The following table disaggregates our revenues by geography (in millions):

	Three Months Ended March 31,	
	2023	2022
United States	\$ 954.9	\$ 923.0
United Kingdom	155.9	150.2
Europe (excluding United Kingdom), Middle East and Africa	105.4	89.5
Asia-Pacific and Japan	68.0	61.4
Canada	55.5	50.4
Americas, excluding United States and Canada	23.0	20.5
Total	\$ 1,362.7	\$ 1,295.0

The following table disaggregates our revenues by source (in millions):

	Three Months Ended March 31,	
	2023	2022
Software-enabled services	\$ 1,114.2	\$ 1,085.2
Maintenance and term licenses	213.3	178.3
Professional services	27.7	26.7
Perpetual licenses	7.5	4.8
Total	\$ 1,362.7	\$ 1,295.0

Note 11—Stock Based Compensation

Stock options, SARs, PSUs and RSUs

The amount of stock-based compensation expense recognized in our Condensed Consolidated Statements of Comprehensive Income for the three months ended March 31, 2023 and 2022 was as follows (in millions):

Condensed Consolidated Statements of Comprehensive Income Classification	Three Months Ended March 31,	
	2023	2022
Cost of software-enabled services	\$ 15.5	\$ 15.1
Cost of license, maintenance and other related	1.8	0.9
Total cost of revenues	17.3	16.0
Selling and marketing	7.9	8.1
Research and development	5.4	5.1
General and administrative	11.3	10.7
Total operating expenses	24.6	23.9
Total stock-based compensation expense	\$ 41.9	\$ 39.9

The following table summarizes stock option and stock appreciation rights (“SARs”) activity, as well as performance stock units (“PSUs”) and restricted stock units (“RSUs”) activity, for the three months ended March 31, 2023 (shares in millions):

	Stock Options and SARs	PSUs and RSUs
Outstanding at December 31, 2022	43.6	3.4
Granted	0.5	1.2
Cancelled/forfeited	(0.3)	(0.1)
Exercised	(0.4)	—
Outstanding at March 31, 2023	43.4	4.5

Note 12—Income Taxes

The effective tax rate was 29.4% and 27.0% for the three months ended March 31, 2023 and 2022, respectively. The change in the effective tax rate for the three months ended March 31, 2023 compared to the prior year was primarily due to a decrease in recognition of windfall tax benefits from stock awards in the current year and a change in the composition of income before income taxes from foreign and domestic tax jurisdictions.

Note 13—Earnings per Share

The following table sets forth the computation of basic and diluted EPS (in millions, except per share amounts):

	Three Months Ended March 31,	
	2023	2022
Net income attributable to SS&C common stockholders	\$ 126.0	\$ 172.1
Shares attributable to SS&C:		
Weighted-average common shares outstanding – used in calculation of basic EPS	250.4	255.8
Weighted-average common stock equivalents – stock options and restricted shares	6.6	11.8
Weighted-average common and common equivalent shares outstanding – used in calculation of diluted EPS	257.0	267.6
Earnings per share attributable to SS&C common stockholders – Basic	\$ 0.50	\$ 0.67
Earnings per share attributable to SS&C common stockholders – Diluted	\$ 0.49	\$ 0.64

Weighted-average stock options, SARs, RSUs and PSUs representing 25.0 million and 16.1 million shares were outstanding for the three months ended March 31, 2023 and 2022, but were not included in the computation of diluted EPS because the effect of including them would be anti-dilutive.

Note 14—Commitments and Contingencies

From time to time, we are subject to legal proceedings and claims. In our opinion, we are not involved in any litigation or proceedings that would have a material adverse effect on us or our business.

Legal Proceedings

In connection with recent legal proceedings related to the ongoing DST ERISA matters described below, including the arbitration awards, we have recorded an accrued liability of \$51.5 million. Of this amount, \$8.1 million and \$43.4 million were recorded in 2022 and 2021, respectively, to Other income (expense), net on the Condensed Consolidated Statements of Comprehensive Income. Due to the inherent uncertainties associated with the resolution of these matters, the ultimate resolution of and any additional potential exposure related to these matters are uncertain at this time.

On September 1, 2017, a putative representative action was filed on behalf of the DST 401(k) Profit Sharing Plan (the “Plan”) in the United States District Court for the Southern District of New York, captioned Ferguson, et al v. Ruane Cunniff & Goldfarb Inc., et al. (“Ferguson”), naming as defendants DST, the Compensation Committee of DST’s Board of Directors, the Advisory Committee of the Plan and certain of DST’s present and/or former officers and directors (collectively the “DST Defendants”), alleging breach of fiduciary duties and other violations of the Employee Retirement Income Security Act (“ERISA”). The DST Defendants answered the operative complaint and asserted crossclaims for contribution and/or indemnification against Ruane, Cunniff & Goldfarb Inc. (“Ruane”). On January 9, 2020, Ruane filed an amended answer to the amended complaint and asserted crossclaims for contribution and/or indemnification against DST. On March 8, 2021, the Court entered an order denying without prejudice the plaintiffs’ (the “Ferguson Plaintiffs”) then-pending motions for leave to file a third amended complaint and for class certification, ordering that the parties address the effect, if any, on the Ferguson Plaintiffs’ motions of the March 4, 2021 decision by the United States Court of Appeals for the Second Circuit Court in Cooper v. Ruane Cunniff & Goldfarb Inc. The Ferguson Plaintiffs renewed their motions for leave to file a third amended complaint and for class certification. On August 17, 2021, the Court entered an order certifying a mandatory, non-opt-out class under Federal Rule of Civil Procedure 23(b)(1) that includes all plan participants other than certain plan fiduciaries. Arbitration Claimants, and the Canfield Plaintiffs and Mendon Plaintiffs, each as defined below, filed petitions under Federal Rule of Civil Procedure 23(f) with the Second Circuit on August 30, 2021 and August 31, 2021, respectively, seeking interlocutory review of the Ferguson class certification order, which the Ferguson Plaintiffs and the DST Defendants opposed. The Second Circuit denied the Rule 23(f) petitions on May 24, 2022 and May 25, 2022, respectively. On February 4, 2022, the Ferguson Plaintiffs filed a third amended complaint, which included the class allegations. On March 7, 2022, the DST Defendants and Ruane each filed answers to the Ferguson Plaintiffs’ third amended complaint and reasserted their respective cross-claims. On August 23, 2021, the DST Defendants moved for a temporary restraining order and preliminary injunction against other proceedings, including the below-described arbitrations, which arise out of or relate to the allegations in Ferguson. Following briefing, on November 18, 2021, the Court granted the DST Defendants’ motion and entered a preliminary injunction enjoining the Ferguson class members, including Arbitration Claimants, from instituting new actions or litigating in arbitration or other proceedings against the DST Defendants matters arising out of or relating to the facts or transactions alleged in the Ferguson amended complaint. On November 18, 2021, the Court also ordered the DST Defendants and Arbitration Claimants to submit briefing regarding how the arbitration awards that have been entered against the DST Defendants should be handled in light of the Court’s class certification order and preliminary injunction.

On December 15, 2021, Arbitration Claimants and the Canfield Plaintiffs and Mendon Plaintiffs filed appeals of the Court's preliminary injunction. On December 23, 2021, the DST Defendants, Arbitration Claimants, and the Ferguson Plaintiffs submitted briefs concerning the treatment of the arbitration awards that have been entered against the DST Defendants, and further briefing by the DST Defendants and Arbitration Claimants was submitted on January 26, 2022. On December 31, 2021, Arbitration Claimants moved by order to show cause for an immediate stay of the preliminary injunction pending their appeal to the Second Circuit. On January 3, 2022, the Court denied Arbitration Claimants' motion for an immediate stay and ordered the DST Defendants to show cause as to why the Court should not issue a stay of the preliminary injunction pending appeal. On February 3, 2022, the Court denied Arbitration Claimants' motion to stay the preliminary injunction pending appeal. In the same order, the Court held that it would determine the status of the arbitration awards already entered against DST at final judgment in the Ferguson action, either after trial or after settlement. On February 4, 2022, Arbitration Claimants filed a motion in the Second Circuit to stay the preliminary injunction pending their appeal of the Court's preliminary injunction. On June 7, 2022, the Second Circuit denied Arbitration Claimants' motion to stay the preliminary injunction pending appeal. On February 8, 2022, Arbitration Claimants and the Canfield Plaintiffs and Mendon Plaintiffs noticed an appeal of the Court's February 3, 2022 order. The February 8, 2022 appeal was consolidated with the December 15, 2021 appeal of the preliminary injunction. On May 17, 2022, Arbitration Claimants and the Canfield Plaintiffs and Mendon Plaintiffs filed their opening brief in the consolidated appeals. The DST Defendants filed their answering brief on September 15, 2022, and the reply was filed on October 20, 2022. On April 20, 2023, the Second Circuit heard oral argument on the appeal. This appeal remains pending.

On July 10, 2020, the Ferguson Plaintiffs and the DST Defendants reached an agreement in principle to settle the class claims for \$27 million, subject to the occurrence of certain conditions, including: Court certification of a "non-opt-out" class in the case that includes as class members all participants of the Plan, Court approval of the settlement in accordance with applicable law and the satisfactory resolution of claims made by certain other litigants. On September 18, 2020, the parties submitted a letter to the Court disclosing that the Ferguson Plaintiffs and Ruane also had reached a settlement in principle, subject to Court approval. The Ferguson Plaintiffs and the DST Defendants entered into a settlement agreement dated January 8, 2021 memorializing the terms of their proposed settlement, which was filed by the Ferguson Plaintiffs with the Court on the same date. On January 12, 2021, the Ferguson Plaintiffs moved for preliminary approval of the settlement with the DST Defendants, as well as preliminary approval of a separate settlement reached between the Ferguson Plaintiffs and Ruane. Arbitration Claimants and the U.S. Department of Labor ("DOL") objected to various aspects of those settlements in filings dated January 15, 2021, January 27, 2021, and February 5, 2021. On August 17, 2021, the Court denied the Ferguson Plaintiffs' motion for preliminary approval of the settlement on the terms proposed.

On November 10, 2022, the Ferguson parties filed a notice of settlement and joint motion to stay the proceedings. The notice informed the Court that the parties had reached a settlement in principle to settle the class claims (as discussed above, the class excludes certain plan fiduciaries), and the joint motion requested a stay while the parties sought to finalize their agreement and prepare an application for Court approval of the contemplated settlement. On November 18, 2022, the Court entered an order staying the Ferguson action for 30 days. On December 19, 2022, the Ferguson parties filed a joint motion to stay the proceedings for an additional 30 days, which the Court granted on January 9, 2023, staying the proceedings until February 8, 2023. On February 8, 2023, the Ferguson parties filed a joint motion to stay the proceedings for an additional 45 days, which the Court granted on February 21, 2023, staying the proceedings until April 7, 2023.

On April 5, 2023, Arbitration Claimants filed a motion to decertify the Rule 23(b)(1) class previously certified by the Court, or, in the alternative, to amend the class definition to remove Arbitration Claimants or permit them to opt out of the class. On April 7, 2023, the Ferguson parties filed a joint status report informing the Court that they had been working diligently with the DOL to finalize all necessary papers to document the settlement reached to resolve the Ferguson matter together with other related matters, and that the parties anticipated filing a final executed settlement agreement and supporting exhibits by April 14, 2023. On April 14, 2023, the DST Defendants informed the Court that, in response to a request from Arbitration Claimants, the Western District of Missouri had entered an injunction, as discussed below, enjoining DST from entering into or effectuating an agreement that settles, disposes of, interferes with, invalidates, satisfies, sets aside, alters, or otherwise compromises any of 55 judgments confirming arbitration awards entered by the Western District of Missouri on March 31, 2023. Following a status conference with the Court on April 24, 2023, the Court directed the parties to confer regarding settlement, and to submit a joint status report by May 3, 2023. The Court also held in abeyance the deadline to respond to Arbitration Claimants' pending motion to decertify the class.

On September 28, 2018, a complaint was filed in the United States District Court for the Southern District of New York captioned Robert Canfield, et al. v. SS&C Technologies Holdings, Inc., et al., on behalf of five individual plaintiffs (the "Canfield Plaintiffs"). On November 5, 2018, a similar complaint was filed in the United States District Court for the Southern District of New York captioned Mark Mendon, et al. v. SS&C Technologies Holdings, Inc., et al., on behalf of two individual plaintiffs (the "Mendon Plaintiffs"). These complaints name as defendants SS&C, the DST Defendants, and Ruane. The underlying claim in each complaint is the same as in the above-described Ferguson matter, with the exception that these actions purport to be brought as individual actions and not putative class actions. On July 10, 2020, the Court entered an order granting the DST Defendants' motion to disqualify plaintiffs' counsel in the Canfield and Mendon actions. On March 17, 2021, the Court issued an opinion and order denying the DST Defendants' motion to disqualify counsel from the arbitrations described below. On April 12, 2021, the Canfield Plaintiffs and Mendon Plaintiffs filed notices of voluntary dismissal dismissing their claims against Ruane with prejudice, which were entered by the

Court on April 13, 2021. On April 22, 2021, the DST Defendants filed motions to dismiss the Canfield and Mendon actions. Those motions were fully briefed on May 28, 2021. On November 19, 2021, the Court dismissed the Canfield and Mendon actions. On December 17, 2021, the Canfield Plaintiffs and Mendon Plaintiffs appealed the Court's November 19, 2021 orders dismissing their respective actions to the Second Circuit. On May 17, 2022, the Canfield Plaintiffs and Mendon Plaintiffs filed their opening briefs in those appeals. The DST Defendants filed their answering briefs on September 15, 2022. The Canfield Plaintiffs and Mendon Plaintiffs filed their reply briefs on October 20, 2022. On April 20, 2023, the Second Circuit heard oral argument on the appeals. These appeals remain pending.

On October 8, 2019, a substantially similar action to the above-described Ferguson, Canfield, Mendon and below-described arbitration matters captioned *Scalia v. Ruane, Cunniff & Goldfarb Inc.* was filed by the DOL in the United States District Court for the Southern District of New York naming as defendants DST, the Advisory Committee of the Plan, the Compensation Committee of DST's Board of Directors and certain of DST's former officers and directors, and alleging that the DST Defendants breached fiduciary duties in violation of ERISA in connection with the Plan. The complaint also names as defendants Ruane and its former Chairman and Chief Executive Officer Robert D. Goldfarb. In the complaint, the DOL seeks disgorgement, damages and any other appropriate injunctive or equitable relief. The DST Defendants moved to dismiss the complaint on December 4, 2020 on the ground that the DOL's complaint is time-barred. Other defendants also filed motions to dismiss on the same and other grounds. Briefing on the motions to dismiss was completed on February 5, 2021. On March 28, 2022, the court denied Defendants' motions to dismiss, and Martin J. Walsh was substituted for Eugene Scalia as the plaintiff. On April 11, 2022, the DST Defendants answered the DOL's complaint.

DST, the Advisory Committee of the Plan, and the Compensation Committee of DST's Board of Directors have been named in 579 substantially similar individual demands for arbitration to date, by former and current DST employees demanding arbitration under the DST Employee Arbitration Program and Agreement (the "Arbitration Claimants"). The underlying claim in each is the same as in the above-described Ferguson matter, with the exception that the arbitrations purport to be brought as individual actions. On November 24, 2021, in light of the preliminary injunction entered in Ferguson discussed above, the American Arbitration Association ceased administration of the arbitrations brought by members of the Ferguson class, which includes all of the Arbitration Claimants with the exception of certain former Plan fiduciaries. As of November 24, 2021, 557 demands for arbitration had been submitted to the American Arbitration Association (the "AAA"). As of the date on which the preliminary injunction was entered, those individual arbitrations were at various stages depending on the particular proceeding. Certain of those arbitrations had resulted in awards against DST and others had resulted in decisions finding no liability as against DST. Many of those decisions were subject to further appeal within the AAA. Certain of the arbitration proceedings had been resolved in whole or in part by settlement. Since November 24, 2021, the AAA has administered only those arbitration proceedings associated with claimants who are not members of the Ferguson class, certain of which have resulted in awards against DST. Between August 20, 2021 and November 17, 2021, counsel for Arbitration Claimants filed 177 motions to confirm certain of the arbitration awards. DST filed responses to those motions. Between October 4 and December 22, 2021, the Western District of Missouri issued orders confirming those 177 arbitration awards and entering judgments against DST. DST appealed those judgments to the Eighth Circuit. On November 20, 2021, DST requested that the Eighth Circuit stay the pending appeals in light of the preliminary injunction entered in Ferguson. On December 3, 2021, the Eighth Circuit ordered the parties to brief DST's stay request, and on January 3, 2022, the Eighth Circuit declined to stay the briefing schedule on the pending appeals and consolidated those appeals. DST filed its opening brief in the Eighth Circuit on March 24, 2022. Arbitration Claimants filed their opposition brief on April 26, 2022, and DST filed its reply brief on May 18, 2022. The Eighth Circuit heard oral argument on June 14, 2022. On November 28, 2022, the Eighth Circuit vacated the judgments confirming the 177 arbitration awards and remanded those actions to the Western District of Missouri to determine whether the district court has subject-matter jurisdiction and whether the district court should transfer the cases to the Southern District of New York. On December 14, 2022, the parties submitted simultaneous briefing to the Western District of Missouri regarding transfer. On March 31, 2023, the Western District of Missouri issued an order finding that it had subject-matter jurisdiction over 55 of the 177 confirmation actions, and confirmed the 55 arbitration awards in those actions and entered judgments against DST. The court dismissed the other 122 on the ground that it lacked subject-matter jurisdiction. The court further denied DST's motion to transfer any of the 177 confirmation actions to the Southern District of New York. On April 28, 2023, DST appealed these judgments to the Eighth Circuit. These appeals remain pending.

On April 10, 2023, Arbitration Claimants filed in the Western District of Missouri an emergency motion seeking a temporary restraining order and preliminary injunction prohibiting DST from settling or attempting to settle in the Ferguson action any of the 55 Western District of Missouri judgments confirming arbitration awards, without the consent of those Arbitration Claimants and their attorneys. On April 10, 2023, the Western District of Missouri entered a preliminary injunction stating that "[i]n each of the 55 cases in which this Court has subject matter jurisdiction and entered an order on March 31, 2023 confirming an arbitration award, the Court hereby enjoins DST or anyone on behalf of DST from entering into or effectuating an agreement that settles, disposes of, interferes with, invalidates, satisfies, sets aside, alters, or otherwise compromises each such judgment, without the express written consent of each Confirmation Plaintiff in whose favor judgment was entered by this Court." On April 12, 2023, DST appealed the preliminary injunction to the Eighth Circuit. This appeal remains pending. On April 27, 2023, DST filed a motion in the Western District of Missouri seeking a stay of its preliminary injunction pending appeal.

We continue to vigorously defend these matters.

On November 11, 2020, DST, the Compensation Committee of DST's Board of Directors, and the Advisory Committee of the Plan as plaintiffs filed a complaint in the United States District Court for the Southern District of New York against Ruane, certain of its related entities, and certain of its current and former employees. The complaint asserts claims for contribution, indemnification, and breach of contract arising out of Ruane's management of the Plan's investments and claims for actual and constructive fraudulent conveyances. On May 24, 2021, Defendant Robert Goldfarb filed an answer to the complaint. On December 17, 2021, the remaining defendants filed a motion to dismiss the DST plaintiffs' complaint. On July 27, 2022, the Court denied without prejudice the pending motion to dismiss, and ordered the parties to submit by October 3, 2022 a joint status report with a new briefing schedule on the motion. On October 3, 2022, the parties filed a joint status report with a new briefing schedule on the motion, which the court approved on October 4, 2022. On December 16, 2022, and January 13, 2023, the parties filed joint motions to stay the proceedings, which were granted on January 31, 2023, staying proceedings until February 8, 2023. On February 8, 2023, the parties filed a joint motion to stay the proceedings for an additional 45 days. On April 7, 2023, the parties submitted a joint letter motion requesting a stay through April 14, 2023. On April 14, 2023, the parties requested that the Court enter a further stay in the matter through May 3, 2023. This request remains pending.

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

This Management's Discussion and Analysis of Financial Condition and Results of Operations, or MD&A, is intended to provide readers of our Condensed Consolidated Financial Statements with the perspectives of management. It presents, in narrative form, information regarding our financial condition, results of operations, liquidity and certain other factors that may affect our future results. It should be read in conjunction with our 2022 Form 10-K and the Condensed Consolidated Financial Statements included in this Form 10-Q. We use the term organic to refer to the businesses and operations that are included in the comparable prior year period on a constant currency basis. Organic excludes the impact of any business which we acquired for the time period which would impact the comparable prior year period.

The COVID-19 pandemic and ongoing macroeconomic conditions, such as increases in interest rates, inflation and changes in foreign currency exchange rates, could have impacts on our results that are uncertain and, in many respects, outside our control. The situations remain dynamic and subject to rapid and possibly material change, which ultimately could result in material negative effects on our business and results of operations. We will continue to evaluate the nature and extent of the potential impacts to our business, consolidated results of operations, liquidity and capital resources.

Critical Accounting Policies

Certain of our accounting policies require the application of significant judgment by our management, and such judgments are reflected in the amounts reported in our Condensed Consolidated Financial Statements. In applying these policies, our management uses its judgment to determine the appropriate assumptions to be used in the determination of estimates. Those estimates are based on our historical experience, terms of existing contracts, management's observation of trends in the industry, information provided by our clients and information available from other outside sources, as appropriate. Actual results may differ significantly from the estimates contained in our Condensed Consolidated Financial Statements. There have been no material changes to our critical accounting estimates and assumptions or the judgments affecting the application of those estimates and assumptions since the filing of our 2022 Form 10-K. Our critical accounting policies are described in the 2022 Form 10-K and include:

- Investments
- Long-Lived Assets, Intangible Assets and Goodwill
- Software Capitalization
- Acquisition Accounting
- Revenue Recognition
- Stock-based Compensation
- Income Taxes

Results of Operations

Revenues

We derive our revenues from two sources: software-enabled services revenues and license, maintenance and related revenues. As a general matter, fluctuations in our software-enabled services revenues are attributable to the number of new software-enabled services clients as well as total assets under management in our clients' portfolios and the number of outsourced transactions provided to our existing clients. Software-enabled services revenues also fluctuate as a result of reimbursements received for "out-of-pocket" expenses, such as postage and telecommunications charges, which are recorded as revenues on an accrual basis. Because these additional revenues are offset by the reimbursable expenses incurred, there is no impact on gross profit, operating income and net income, however the reimbursements billed and expenses incurred can lead to fluctuations in revenues, cost of revenues and gross margin percentage each period. License, maintenance and related revenues consist primarily of term and perpetual license fees, maintenance fees and professional services. Maintenance revenues vary based on customer retention and on the annual increases in fees, which are generally tied to the consumer price index. License and professional services revenues tend to fluctuate based on the number of new licensing clients, the timing and terms of contract renewals and demand for consulting services.

Our results of operations below include the results of our recent acquisitions from the date which they were acquired, including, Blue Prism and Hubwise in March 2022, MineralWare in May 2022, O'Shares in June 2022, Tier1 in August 2022 and CFO in December 2022.

The following table sets forth the percentage of our total revenues represented by each of the following sources of revenues for the periods indicated:

	Three Months Ended March 31,	
	2023	2022
Software-enabled services	81.8%	83.8%
License, maintenance and related	18.2%	16.2%
Total revenues	100.0%	100.0%

The following table sets forth revenues (dollars in millions) and percent change in revenues for the periods indicated:

	Three Months Ended March 31,		Percent Change from Prior Period
	2023	2022	
Software-enabled services	\$ 1,114.2	\$ 1,085.2	2.7%
License, maintenance and related	248.5	209.8	18.4%
Total revenues	\$ 1,362.7	\$ 1,295.0	5.2%

Three Months Ended March 31, 2023 and 2022. Our revenues increased \$67.7 million, or 5.2%, primarily due to revenues associated with our 2022 acquisitions, which contributed \$63.2 million in revenues and an increase in organic revenues of \$24.2 million driven by strength in the SS&C GlobeOp fund administration and Global Investor and Distribution Solutions businesses. These increases were partially offset by the unfavorable impact from foreign currency translation of \$19.7 million. Software-enabled services revenues increased \$29.0 million, or 2.7%, primarily due to an increase in organic revenues of \$32.8 million and acquisitions, which added \$12.5 million in revenues, partially offset by the unfavorable impact from foreign currency translation of \$16.3 million. License, maintenance and related revenues increased \$38.7 million, or 18.4%, primarily due to acquisitions, which added \$50.7 million in revenues, partially offset by a decrease in organic revenues of \$8.6 million and the unfavorable impact from foreign currency translation of \$3.4 million.

Cost of Revenues

Cost of software-enabled services revenues consists primarily of costs related to personnel utilized in providing our software-enabled services and amortization of intangible assets. Cost of license, maintenance and other related revenues consists primarily of the costs related to personnel utilized in servicing our maintenance contracts and to provide implementation, conversion and training services to our software licensees, as well as system integration and custom programming consulting services and amortization of intangible assets.

The following tables set forth each of the following cost of revenues as a percentage of their respective revenue source for the periods indicated:

	Three Months Ended March 31,	
	2023	2022
Cost of software-enabled services	56.6%	54.9%
Cost of license, maintenance and related	38.1%	38.0%
Total cost of revenues	53.3%	52.1%
Gross margin percentage	46.7%	47.9%

The following table sets forth cost of revenues (dollars in millions) and percent change in cost of revenues for the periods indicated:

	Three Months Ended March 31,		Percent Change from Prior Period
	2023	2022	
Cost of software-enabled services	\$ 631.0	\$ 595.5	6.0%
Cost of license, maintenance and related	94.7	79.7	18.8%
Total cost of revenues	\$ 725.7	\$ 675.2	7.5%

Three Months Ended March 31, 2023 and 2022. Our total cost of revenues increased by \$50.5 million, or 7.5%, primarily due to an increase of \$40.9 million in organic costs and acquisitions, which added \$23.7 million in costs. These increases were partially offset by the favorable impact from foreign currency translation, which decreased costs by \$14.1 million. Organic cost increases are primarily due to personnel costs, including the impact of wage inflation and costs to support organic growth, partially offset by a decrease in amortization. Cost of software-enabled services revenues increased \$35.5 million, or 6.0%, primarily due to an increase of \$41.3 million in organic costs and acquisitions, which added \$6.8 million in costs. These increases were partially offset by the favorable impact from foreign currency translation which decreased costs by \$12.6 million. Cost of license, maintenance and related revenues increased \$15.0 million, or 18.8%, primarily due to acquisitions, which added \$16.9 million in costs, partially offset by the favorable impact from foreign currency translation of \$1.5 million and a decrease in organic costs of \$0.4 million.

Operating Expenses

Selling and marketing expenses consist primarily of the personnel costs associated with the selling and marketing of our products, including salaries, commissions and travel and entertainment. Such expenses also include amortization of intangible assets, the cost of branch sales offices, trade shows and marketing and promotional materials. Research and development expenses consist primarily of personnel costs attributable to the enhancement of existing products and the development of new software products. General and administrative expenses consist primarily of personnel costs related to management, accounting and finance, information management, human resources and administration and associated overhead costs, as well as fees for professional services.

The following table sets forth the percentage of our total revenues represented by each of the following operating expenses for the periods indicated:

	Three Months Ended March 31,	
	2023	2022
Selling and marketing	10.3%	8.6%
Research and development	8.7%	8.2%
General and administrative	7.3%	8.6%
Total operating expenses	26.3%	25.4%

The following table sets forth operating expenses (dollars in millions) and percent change in operating expenses for the periods indicated:

	Three Months Ended March 31,		Percent Change from Prior Period
	2023	2022	
Selling and marketing	\$ 139.8	\$ 110.9	26.1%
Research and development	118.2	105.8	11.7%
General and administrative	98.9	111.3	(11.1)%
Total operating expenses	\$ 356.9	\$ 328.0	8.8%

Three Months Ended March 31, 2023 and 2022. Operating expenses increased \$28.9 million, or 8.8%, primarily due to our acquisitions, which added expenses of \$39.7 million. This increase was partially offset by the favorable impact from foreign currency translation, which decreased expenses by \$8.1 million, and a decrease of \$2.7 million in organic operating expenses. Total operating expenses, excluding the impact of acquisitions and foreign currency translation, primarily decreased due to a decrease in professional fees partially offset by increases in personnel-related costs and increased travel and entertainment. Professional fees in the three months ended March 31, 2022 were elevated due to our acquisition of Blue Prism.

Comparison of the Three Months Ended March 31, 2023 and 2022 for Interest, Taxes and Other

Interest expense, net. We had net interest expense of \$111.9 million for the three months ended March 31, 2023 compared to \$49.3 million for the three months ended March 31, 2022. The increase in interest expense, net for 2023 as compared to 2022, is due to a higher average interest rate on debt and higher average debt balances. We had an average interest rate of 6.21% and 3.11%, respectively, for the three months ended March 31, 2023 and 2022.

Other income (expense), net. We had other income, net of \$5.4 million for the three months ended March 31, 2023 compared to other expense, net of \$9.0 million for the three months ended March 31, 2022. For the three months ended March 31, 2023, other income, net consisted primarily of dividend income of \$10.2 million, partially offset by losses of \$6.1 million related to the fair value adjustments on assets held for sale. For the three months ended March 31, 2022, other expense, net consisted primarily of foreign currency translation losses of \$9.7 million.

Equity in earnings of unconsolidated affiliates, net. We had equity in earnings of unconsolidated affiliates, net of \$5.7 million and \$1.3 million for the three months ended March 31, 2023 and 2022. Our equity in earnings of unconsolidated affiliates, net in 2023 is primarily related to a \$4.8 million adjustment to increase the carrying value of one of our investments.

Provision for income taxes. The following table sets forth the provision for income taxes (dollars in millions) and effective tax rates for the periods indicated:

	Three Months Ended March 31,	
	2023	2022
Provision for income taxes	\$ 52.5	\$ 63.5
Effective tax rate	29.4%	27.0%

Our effective tax rates for the three months ended March 31, 2023 and 2022 differ from the statutory rate of 21.0% primarily due to the composition of income before income taxes from foreign and domestic tax jurisdictions, foreign income that is being taxed in the U.S. offset by foreign tax credits that are being limited and the recognition of windfall tax benefits from stock awards. The change in the effective tax rate for the three months ended March 31, 2023 compared to the prior year was primarily due to a decrease in recognition of windfall tax benefits from stock awards in the current year and a proportionate change in the composition of income before income taxes from foreign and domestic tax jurisdictions. While we have income from multiple foreign sources, the majority of our non-U.S. operations are in the United Kingdom and India. We anticipate the statutory tax rates in 2023 to be 23.5% in the United Kingdom and approximately 33.0% in India. A future change in the composition of income before income taxes from foreign and domestic tax jurisdictions could impact our periodic effective tax rate.

On August 16, 2022, the Inflation Reduction Act was signed into law, which includes a 15% corporate alternative minimum tax and a 1% excise tax on stock repurchases. The provisions were effective January 1, 2023 and were immaterial to our financial results, financial position and cash flows. The 1% excise tax on stock repurchases is included as a cost to acquire treasury stock.

Liquidity and Capital Resources

Our principal cash requirements are to finance the costs of our operations pending the billing and collection of client receivables, to fund payments with respect to our indebtedness, to invest in research and development, to acquire complementary businesses or assets, to repurchase shares of our common stock and to pay dividends on our common stock. We expect our cash on hand, cash flows from operations and cash available under our Credit Agreement to provide sufficient liquidity to fund our current obligations, projected working capital requirements and capital spending for at least the next twelve months.

During each of the three months ended March 31, 2023 and 2022, we paid a quarterly cash dividend of \$0.20 per share of common stock totaling \$50.7 million and \$51.1 million, respectively.

Client funds obligations include our transfer agency client balances invested overnight as well as our contractual obligations to remit funds to satisfy client pharmacy claim obligations and are recorded on the Condensed Consolidated Balance Sheet when incurred, generally after a claim has been processed by us. Our contractual obligations to remit funds to satisfy client obligations are primarily sourced by funds held on behalf of clients. We had \$429.2 million of client funds obligations at March 31, 2023.

Cash flows from operating, investing and financing activities, as reflected in our Condensed Consolidated Statements of Cash Flows, are summarized in the following table (in millions):

	Three Months Ended March 31,		Change From Prior Year
	2023	2022	
Net cash, cash equivalents and restricted cash provided by (used in):			
Operating activities	\$ 254.8	\$ 183.5	\$ 71.3
Investing activities	(49.8)	(1,583.5)	1,533.7
Financing activities	(755.3)	1,240.9	(1,996.2)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	0.9	(4.5)	5.4
Net decrease in cash, cash equivalents and restricted cash	<u>\$ (549.4)</u>	<u>\$ (163.6)</u>	<u>\$ (385.8)</u>

Net cash provided by operating activities was \$254.8 million for the three months ended March 31, 2023. Cash provided by operating activities primarily resulted from net income of \$126.2 million adjusted for non-cash items of \$201.4 million, partially offset by changes in our working capital accounts (excluding the effect of acquisitions) totaling \$72.8 million. The changes in our working capital accounts were driven by decreases in accrued expenses and an increase in accounts receivable, partially offset by a decrease in prepaid expenses, an increase in deferred revenue and changes in income tax prepaid and payable. The decrease in accrued expenses was primarily due to the payment of annual employee bonuses in the first quarter of 2023. The increase in accounts receivable was primarily due to the billing of annual maintenance fees, which typically occurs in the first quarter of each year. The change in income taxes prepaid and payable is primarily driven by the timing of tax payments.

Investing activities used net cash of \$49.8 million for the three months ended March 31, 2023, primarily related to \$42.6 million in capitalized software development costs and \$10.5 million in capital expenditures, partially offset by collection of other non-current receivables of \$2.4 million and proceeds from the sales and maturities of investments of \$0.9 million.

Financing activities used net cash of \$755.3 million for the three months ended March 31, 2023, primarily representing a net decrease in client fund obligations of \$541.9 million, \$133.3 million of purchases of common stock for treasury, \$50.7 million in quarterly dividends paid and \$44.6 million of net debt repayments. These expenditures were partially offset by proceeds of \$15.3 million from stock option exercises.

We have made a permanent reinvestment determination in certain non-U.S. operations that have historically generated positive operating cash flows. At March 31, 2023, we held approximately \$203.8 million in cash and cash equivalents at non-U.S. subsidiaries where we had made such a determination and in turn no provision for income taxes had been made. At March 31, 2023, we held approximately \$109.9 million in cash that was available to our foreign borrowers under our senior secured credit facility and will be used to facilitate debt servicing of those entities.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

Senior Secured Credit Facilities and Senior Notes

The table below provides a summary of the key terms of our Senior Secured Credit Facilities and Senior Notes:

	<u>Amount Outstanding at March 31, 2023 (in millions)</u>	<u>Maturity Date</u>	<u>Scheduled Quarterly Payments Required</u>
Senior Secured Credit Facilities			
Term Loan B-3	\$ 1,093.0	April 16, 2025	0.25%
Term Loan B-4	969.3	April 16, 2025	0.25%
Term Loan B-5	1,645.6	April 16, 2025	0.25%
Term Loan B-6	519.3	March 22, 2029	0.25%
Term Loan B-7	782.5	March 22, 2029	0.25%
Revolving Credit Facility	75.0	December 28, 2027	None
Senior Notes	2,000.0	September 30, 2027	None

Our obligations under the Term Loans are guaranteed by (i) our existing and future U.S. wholly-owned restricted subsidiaries, in the case of the Term B-3 Loan, Term B-5 Loan, Term B-6 Loan and the Revolving Credit Facility and (ii) our existing and future wholly-owned restricted subsidiaries, in the case of the Term B-4 Loan and Term B-7 Loan.

The obligations of the U.S. loan parties under the amended senior secured credit facility are secured by substantially all of the assets of such persons (subject to customary exceptions and limitations), including a pledge of all of the capital stock of substantially all of the U.S. wholly-owned restricted subsidiaries of such persons (with customary exceptions and limitations) and 65% of the capital stock of certain foreign restricted subsidiaries of such persons (with customary exceptions and limitations). All obligations of the non-U.S. loan parties under the amended senior secured credit facility are secured by substantially all of our and the other guarantors' assets (subject to customary exceptions and limitations), including a pledge of all of the capital stock of substantially all of our wholly-owned restricted subsidiaries (with customary exceptions and limitations).

The amended senior secured credit facility includes negative covenants that, among other things and subject to certain thresholds and exceptions, limit our ability and the ability of our restricted subsidiaries to incur debt or liens, make investments (including in the form of loans and acquisitions), merge, liquidate or dissolve, sell property and assets, including capital stock of our subsidiaries, pay dividends on our capital stock or redeem, repurchase or retire our capital stock, alter the business we conduct, amend, prepay, redeem or purchase subordinated debt, or engage in transactions with our affiliates. The amended senior secured credit facility also contains customary representations and warranties, affirmative covenants and events of default, subject to customary thresholds and exceptions. In addition, the amended senior secured credit facility contains a financial covenant for the benefit of the Revolving Credit Facility requiring us to maintain a minimum consolidated net secured leverage ratio. In addition, under the amended senior secured credit facility, certain defaults under agreements governing other material indebtedness could result in an event of default under the amended senior secured credit facility, in which case the lenders could elect to accelerate payments under the amended senior secured credit facility and terminate any commitments they have to provide future borrowings. As of March 31, 2023, we were in compliance with all financial and non-financial covenants.

The Senior Notes are guaranteed, jointly and severally, by SS&C Holdings and all of its existing and future domestic restricted subsidiaries that guarantee our existing senior secured credit facilities or certain other indebtedness. The Senior Notes are unsecured senior obligations that are equal in right of payment to all of our existing and future senior unsecured indebtedness. Interest on the Senior Notes is payable on March 30 and September 30 of each year.

At any time and from time to time, we may, at our option, redeem some or all of the Senior Notes, in whole or in part, at the redemption prices set forth in the following table, expressed as a percentage of the principal amount, plus accrued and unpaid interest to the redemption date:

<u>Redemption Date</u>	<u>Price</u>
On or after March 30, 2023	102.750%
On or after March 30, 2024	101.375%
March 30, 2025 and thereafter	100.000%

We may also, from time to time in our sole discretion, purchase, redeem, or retire any outstanding Senior Notes, through tender offers, in privately negotiated or open market transactions, or otherwise.

The indenture governing the Senior Notes contains a number of covenants that restrict, subject to certain thresholds and exceptions, our ability and the ability of our domestic restricted subsidiaries to incur debt or liens, make certain investments, pay dividends, dispose of certain assets, or enter into transactions with its affiliates. Any event of default under the amended senior secured credit facility that leads to an acceleration of those amounts due also results in a default under the indenture governing the Senior Notes.

Covenant Compliance

Under the Revolving Credit Facility portion of the amended senior secured credit facility, we are required to satisfy and maintain a specified financial ratio at the end of each fiscal quarter if the sum of (i) outstanding amount of all loans under the Revolving Credit Facility and (ii) all non-cash collateralized letters of credit issued under the Revolving Credit Facility in excess of \$20 million is equal to or greater than 30% of the total commitments under the Revolving Credit Facility. Our ability to meet this financial ratio can be affected by events beyond our control, and we cannot assure you that we will meet this ratio. Any breach of this covenant could result in an event of default under the amended senior secured credit facility. Upon the occurrence of any event of default under the amended senior secured credit facility, the lenders could elect to declare all amounts outstanding under the amended senior secured credit facility to be immediately due and payable and terminate all commitments to extend further credit. Any default and subsequent acceleration of payments under the amended senior secured credit facility would have a material adverse effect on our results of operations, financial position and cash flows. Additionally, under the amended senior secured credit facility, our ability to engage in activities such as incurring additional indebtedness, making investments and paying dividends is also tied to baskets and ratios based on Consolidated EBITDA.

Consolidated EBITDA is a non-GAAP financial measure used in key financial covenants contained in the amended senior secured credit facility, which is the material facility supporting our capital structure and providing liquidity to our business. Consolidated EBITDA is defined as earnings before interest, taxes, depreciation and amortization (“EBITDA”), further adjusted to exclude unusual items and other adjustments permitted in calculating covenant compliance under the amended senior secured credit facility. We believe that the inclusion of supplementary adjustments to EBITDA applied in presenting Consolidated EBITDA is appropriate to provide additional information to investors to demonstrate compliance with the specified financial ratio and other financial condition tests contained in the amended senior secured credit facility.

Management uses Consolidated EBITDA to gauge the costs of our capital structure on a day-to-day basis when full financial statements are unavailable. Management further believes that providing this information allows our investors greater transparency and a better understanding of our ability to meet our debt service obligations and make capital expenditures.

Consolidated EBITDA does not represent net income or cash flow from operations as those terms are defined by generally accepted accounting principles, or GAAP, and does not necessarily indicate whether cash flows will be sufficient to fund cash needs. Further, the amended senior secured credit facility requires that Consolidated EBITDA be calculated for the most recent four fiscal quarters. As a result, the measure can be disproportionately affected by a particularly strong or weak quarter. Further, it may not be comparable to the measure for any subsequent four-quarter period or any complete fiscal year.

Consolidated EBITDA is not a recognized measurement under GAAP and investors should not consider Consolidated EBITDA as a substitute for measures of our financial performance and liquidity as determined in accordance with GAAP, such as net income, operating income or net cash provided by operating activities. Because other companies may calculate Consolidated EBITDA differently than we do, Consolidated EBITDA may not be comparable to similarly titled measures reported by other companies. Consolidated EBITDA has other limitations as an analytical tool, when compared to the use of net income, which is the most directly comparable GAAP financial measure, including:

- Consolidated EBITDA does not reflect the significant interest expense we incur as a result of our debt leverage;
- Consolidated EBITDA does not reflect the provision of income tax expense in our various jurisdictions;
- Consolidated EBITDA does not reflect any attribution of costs to our operations related to our investments and capital expenditures through depreciation and amortization charges;
- Consolidated EBITDA does not reflect the cost of compensation we provide to our employees in the form of stock-based awards;
- Consolidated EBITDA does not reflect the equity in earnings of unconsolidated affiliates; and
- Consolidated EBITDA excludes expenses and income that are permitted to be excluded per the terms of our amended senior secured credit facility, but which others may believe are normal expenses for the operation of a business.

The following is a reconciliation of net income to Consolidated EBITDA attributable to SS&C common stockholders as defined in our amended senior secured credit facility.

(in millions)	Three Months Ended March 31,		Twelve Months Ended March 31,
	2023	2022	2023
Net income	\$ 126.2	\$ 171.3	\$ 604.0
Interest expense, net	111.9	49.3	370.5
Provision for income taxes	52.5	63.5	216.1
Depreciation and amortization	165.9	165.6	671.9
EBITDA	456.5	449.7	1,862.5
Stock-based compensation	41.9	39.9	126.9
Acquired EBITDA and cost savings (1)	—	(6.4)	5.2
Loss on extinguishment of debt	0.6	—	6.1
Equity in earnings of unconsolidated affiliates, net	(5.7)	(1.3)	(30.3)
Purchase accounting adjustments (2)	2.0	2.9	8.4
ASC 606 adoption impact	(0.7)	(0.4)	(2.3)
Foreign currency translation (gains) losses	(0.5)	9.7	1.0
Investment gains	(11.2)	(4.7)	(45.3)
Facilities and workforce restructuring	17.8	1.7	48.4
Acquisition related (3)	2.3	18.1	25.7
Other (4)	6.6	(0.8)	0.8
Consolidated EBITDA	\$ 509.6	\$ 508.4	\$ 2,007.1
Consolidated EBITDA attributable to noncontrolling interest (5)	(0.6)	0.1	(1.8)
Consolidated EBITDA attributable to SS&C common stockholders	\$ 509.0	\$ 508.5	\$ 2,005.3

- (1) Acquired EBITDA reflects the EBITDA impact of significant businesses that were acquired during the period as if the acquisition occurred at the beginning of the period, as well as cost savings enacted in connection with acquisitions.
- (2) Purchase accounting adjustments include (a) an adjustment to increase revenues by the amount that would have been recognized if deferred revenue were not adjusted to fair value at the date of acquisitions, (b) an adjustment to increase personnel and commissions expense by the amount that would have been recognized if prepaid commissions and deferred personnel costs were not adjusted to fair value at the date of the acquisitions and (c) an adjustment to increase or decrease rent expense by the amount that would have been recognized if lease obligations were not adjusted to fair value at the date of acquisitions.
- (3) Acquisition related includes costs related to both current acquisitions and the resolution of pre-acquisition matters.
- (4) Other includes additional expenses and income that are permitted to be excluded per the terms of our amended senior secured credit facility from Consolidated EBITDA, a financial measure used in calculating our covenant compliance.
- (5) Consolidated EBITDA attributable to noncontrolling interest represents Consolidated EBITDA based on the ownership interest retained by the noncontrolling parties of DomaniRx, our consolidated variable interest entity.

Our covenant requirement for consolidated net secured leverage ratio and the actual ratio as of March 31, 2023 are as follows:

	Covenant Requirement	Actual Ratio
Maximum consolidated net secured leverage to Consolidated EBITDA ratio ⁽¹⁾	6.25x	2.39x

- (1) Calculated as the ratio of consolidated net secured funded indebtedness, net of cash and cash equivalents, excluding \$130.2 million of cash and cash equivalents held at DomaniRx, to Consolidated EBITDA, as defined by the amended senior secured credit facility, for the period of four consecutive fiscal quarters ended on the measurement date. Consolidated net secured funded indebtedness is comprised of indebtedness for borrowed money, letters of credit, deferred purchase price obligations and capital lease obligations, all of which is secured by liens on our property.

Recent Accounting Pronouncement Not Yet Effective

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. ASU 2020-04 provides optional expedients and exceptions for applying U.S. GAAP if certain criteria are met to contracts, hedging relationships and other transactions that reference LIBOR or another reference rate expected to be discontinued. In January 2021, the FASB issued ASU 2021-01, *Reference Rate Reform (Topic 848): Scope*. The update provides additional optional guidance on the transition from LIBOR to include derivative instruments that use an interest rate for margining, discounting or contract price alignment. The standard will ease, if warranted, the requirements for accounting for the future effects of the rate reform. Additionally, in December 2022, the FASB issued ASU 2022-06, *Reference Rate Reform: Deferral of the Sunset Date*.

of Topic 848, which deferred the sunset date of Topic 848 from December 31, 2022 to December 31, 2024 to align with the amended cessation date of LIBOR. A substantial portion of our indebtedness bears interest at variable interest rates, primarily based on USD-LIBOR. We continue to monitor the impact the discontinuance of LIBOR or another reference rate will have on our contracts, hedging relationships and other transactions. We will apply the guidance to impacted transactions during the transition period. The adoption of this standard does not have a material impact on our financial position, results of operations or cash flows.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We do not use derivative financial instruments for trading or speculative purposes. We have generally invested our available cash in short-term, highly liquid financial instruments, having initial maturities of three months or less. When necessary, we have borrowed to fund acquisitions.

Interest Rate Risk

We derive service revenues from investment earnings related to cash balances maintained in bank accounts on which we are the agent for clients. The balances maintained in the bank accounts will fluctuate. For the three months ended March 31, 2023, we had average daily cash balances of approximately \$2,237.7 million maintained in such accounts. We estimate that a 100 basis point change in the interest earnings rate would equal approximately \$10.5 million of net income, net of income taxes, on an annual basis. The effect of changes in interest rates attributable to earnings derived from cash balances we hold for clients is offset by changes in interest rates on our variable debt.

At March 31, 2023, we had total variable interest rate debt of approximately \$5,084.7 million. As of March 31, 2023, a 100 basis point increase in interest rates would result in an increase in interest expense of approximately \$50.8 million per year.

Equity Price Risk

We have exposure to equity price risk as a result of our investments in equity securities. Equity price risk results from changes in the level or volatility of equity prices which affect the value of equity securities or instruments that derive their value from such securities or indexes. The fair value of our investments that are subject to equity price risk as of March 31, 2023 was approximately \$56.0 million. The impact of a 10% change in fair value of these investments would have been approximately \$4.2 million to net income, net of income taxes. Changes in equity values of our investments could have a material effect on our results of operations and our financial position.

Foreign Currency Exchange Rate Risk

During the three months ended March 31, 2023, approximately 30% of our revenues were from clients located outside the United States. A portion of the revenues from clients located outside the United States is denominated in foreign currencies, the majority being the British pound. While revenues and expenses of our foreign operations are primarily denominated in their respective local currencies, some subsidiaries do enter into certain transactions in currencies that are different from their local currency. These transactions consist primarily of cross-currency intercompany balances and trade receivables and payables. As a result of these transactions, we have exposure to changes in foreign currency exchange rates that result in foreign currency transaction gains and losses, which we report in other income (expense). These amounts were not material for the three months ended March 31, 2023. The amount of these balances can fluctuate in the future as we bill customers and buy products or services in currencies other than our functional currency, which could increase our exposure to foreign currency exchange rates. We continue to monitor our exposure to foreign exchange rates because of our acquisitions and changes in our operations. We do not enter into any market risk sensitive instruments for trading purposes.

The foregoing risk management discussion and the effect thereof are forward-looking statements. Actual results in the future may differ materially from these projected results due to actual developments in global financial markets. The analytical methods used by us to assess and minimize risk discussed above should not be considered projections of future events or losses.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our chief executive officer and chief financial officer (our principal executive officer and principal financial officer, respectively), evaluated the effectiveness of our disclosure controls and procedures as of March 31, 2023. The term “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, or Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the rules and forms of the Securities and Exchange Commission. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required

to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company's management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives, and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of March 31, 2023, our chief executive officer and chief financial officer concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control Over Financial Reporting

There have not been any changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the fiscal quarter ended March 31, 2023 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

The information regarding certain legal proceedings in which we are involved as set forth in Note 14 – Commitments and Contingencies of the Notes to the Condensed Consolidated Financial Statements (Part I, Item 1 of this Quarterly Report on Form 10-Q) is incorporated by reference into this Item 1.

In addition, we are involved in various other legal proceedings arising in the normal course of our businesses. At this time, we do not believe any material losses under these claims to be probable. While the ultimate outcome of such legal proceedings cannot be predicted with certainty, it is in the opinion of management, after consultation with legal counsel, that the final outcome in such proceedings, in the aggregate, would not have a material adverse effect on our consolidated financial condition, results of operations or cash flows.

Item 1A. Risk Factors

As of the date of this report, there have been no material changes to the risk factors we previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2022.

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

The following is a summary of the repurchases of our common stock in the first quarter of 2023 (in millions, except average price per share):

Period (1)	(a) Total Number of Shares Purchased (2)	(b) Average Price Paid per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (3)	(d) Maximum Number (or Approximate Dollar Value) of Shares that May Yet be Purchased Under Plans or Programs (3)
January 1, 2023 – January 31, 2023	—	\$ —	—	\$ 694.8
February 1, 2023 – February 28, 2023	0.9	\$ 61.69	0.9	\$ 638.1
March 1, 2023 – March 31, 2023	1.4	\$ 57.50	1.4	\$ 560.1
Total	<u>2.3</u>		<u>2.3</u>	

(1) Information is based on trade dates of repurchase transactions.

(2) Represents shares repurchased in open market transactions pursuant to the Common Stock Repurchase Program.

(3) Share repurchases were made pursuant to our Common Stock Repurchase Program, most recently authorized by our Board of Directors in July 2022. The program allows for the purchase of up to \$1 billion of outstanding common stock in one or more transactions on the open market or in privately negotiated purchases.

Item 6. Exhibits

The exhibits listed in the Exhibit Index immediately preceding such exhibits are filed as part of this Report.

EXHIBIT INDEX

Exhibit Number	Description of Exhibit
10.1	<u>Form of Stock Option Grant Notice and Form of Stock Option Agreement under the SS&C Technologies Holdings, Inc. Second Amended and Restated 2014 Stock Incentive Plan*</u>
10.2	<u>Form of Restricted Stock Unit Grant Notice and Form of Restricted Stock Unit Award Agreement under the SS&C Technologies Holdings, Inc. Second Amended and Restated 2014 Stock Incentive Plan*</u>
10.3	<u>Form of Performance Stock Unit Grant Notice and Form of Performance Stock Unit Award Agreement under the SS&C Technologies Holdings, Inc. Second Amended and Restated 2014 Stock Incentive Plan*</u>
31.1	<u>Certification of the Registrant's Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002*</u>
31.2	<u>Certification of the Registrant's Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002*</u>
32	<u>Certification of the Registrant's Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished and not filed for purposes of sections 11 or 12 of the Securities Act and section 18 of the Exchange Act)*</u>
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 Document.*
101.CAL	Inline XBRL Taxonomy Calculation Linkbase Document.*
101.LAB	Inline XBRL Taxonomy Label Linkbase Document.*
101.PRE	Inline XBRL Taxonomy Presentation Linkbase Document.*
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.*
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith

SIGNATURE

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.

SS&C TECHNOLOGIES HOLDINGS, INC.

By: /s/ Patrick J. Pedonti

Patrick J. Pedonti
Senior Vice President and Chief Financial Officer
(Duly Authorized Officer, Principal Financial and Accounting
Officer)

Date: May 3, 2023

SECOND AMENDED AND RESTATED 2014 STOCK INCENTIVE PLAN OF
SS&C TECHNOLOGIES HOLDINGS, INC.

STOCK OPTION GRANT NOTICE

Unless otherwise defined herein, the terms defined in the Second Amended and Restated 2014 Stock Incentive Plan (as it may be amended from time to time, the “**Plan**”) of SS&C Technologies Holdings, Inc. (the “**Company**”) shall have the same defined meanings in this Stock Option Grant Notice (this “**Grant Notice**”) and the Stock Option Award Agreement attached hereto as Appendix A (the “**Award Agreement**”) and, together with the Grant Notice, this “**Agreement**”). In the event of a conflict among the provisions of the Plan, this Agreement and any descriptive materials provided to you, the provisions of the Plan shall prevail.

You have been granted an Award of stock options (“**Options**”), subject to the terms and conditions set forth in this Agreement and the Plan, as follows:

Name of Participant: [Full Name] (the “**Participant**”)

Number of Shares: [●]

Grant Date: [_____] (the “**Grant Date**”)

Service Vesting: Unless otherwise provided in the Award Agreement, the Options will vest and become exercisable _____; *provided*, that you remain in continuous employment or service with the Company through each vesting date.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Grant Date.

SS&C TECHNOLOGIES HOLDINGS, INC.

By:

Name:

Title:

AGREED AND ACCEPTED:

Participant

[NAME]

SECOND AMENDED AND RESTATED 2014 STOCK INCENTIVE PLAN OF SS&C TECHNOLOGIES HOLDINGS,
INC.

STOCK OPTION AGREEMENT

AGREEMENT (this “**Agreement**”) made this _____ (the “**Grant Date**”) between SS&C Technologies, Inc., a Delaware corporation (the “**Company**”), and _____ (the “**Participant**”).

1. Grant of Option.

This Agreement evidences the grant by the Company on the Grant Date to the Participant, of an option to purchase, in whole or in part, on the terms provided herein and in the Plan, an aggregate of the Shares set forth in the Stock Option Grant Notice at an Exercise Price per Share set forth in the Stock Option Grant Notice (without commission or other charge).

It is intended that the option (“**Option**”) evidenced by this Agreement shall not be an incentive stock option as defined in Section 422 of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder (the “**Code**”). Except as otherwise indicated by the context, the term “Participant,” as used in this Option, shall be deemed to include any person who acquires the right to exercise this Option validly under its terms.

2. Vesting Schedule.

(a) This Option will vest and become exercisable (“**vest**”) in accordance with the vesting schedule set forth in the Grant Notice unless the Plan Administrator subsequently determines to accelerate the exercisability of this Option, *provided* that, subject to Section 2(b), the Participant remains in continuous employment or service with the Company through each vesting date.

(b) Notwithstanding any provision of this Agreement to the contrary, if, within twenty-four (24) months following a Change in Control, the Participant experiences a Termination of Service without Cause or by the Participant for Good Reason, any unvested Options shall vest in full as of the date of such termination.

(c) The right of exercise shall be cumulative so that to the extent this Option is not exercised in any period to the maximum extent permissible it shall continue to be exercisable, in whole or in part, with respect to all Shares for which it is vested until the earlier of the Final Expiration Date or the termination of this Option under Section 3 hereof or the Plan.

3. Exercise of Option.

(a) Form of Exercise. Except as otherwise provided by the Plan Administrator, each election to exercise this Option shall be in writing (including electronic submission), signed by the Participant and received by the Company at its principal office, accompanied by this Agreement, and payment in full in the manner provided in the Plan. The Participant may purchase less than the number of Shares covered hereby, provided that no partial exercise of this Option may be for any fractional share or for fewer than ten whole Shares.

(b) Payment Upon Exercise of Options. Shares purchased upon the exercise of this Option may be paid for using one of the methods set forth in Sections 5(a)(1)(A)-(F) of the Plan. Unless otherwise instructed by the Participant, Shares purchased upon the exercise of this Option shall be paid for pursuant to a "net exercise," as a result of which the Participant will receive (i) the number of Shares underlying the portion of the Option being exercised, less (ii) such number of Shares as is equal to (A) the aggregate exercise price for the portion of the Option being exercised divided by (B) the Fair Market Value on the date of exercise.

(c) Continuous Relationship with the Company Required. Except as otherwise provided in this Section 3, this Option may not be exercised unless the Participant, at the time he or she exercises this Option, is, and has been at all times since the Grant Date, an employee or officer of, or consultant or advisor to, the Company or any Company Affiliate.

(d) Expiration of Option.

(1) This Option, once vested, may not be exercised to any extent by any one after the first to occur of the following events:

(A) The Final Expiration Date;

(B) Except as the Plan Administrator may otherwise approve, ninety (90) days following the date of the Participant's Termination of Service for any reason other than death or Disability;

(C) Except as the Plan Administrator may otherwise approve, twelve months following the Participant's Termination of Service by reason of the Participant's death or Disability.

(2) For the purposes of this Agreement, the date of the Termination of Service shall be the last day that the Participant provides services as an employee or officer of, or consultant or advisor to, the Company or any Company Affiliate, whether such day is selected by agreement with the Participant or unilaterally by the Company or any Company Affiliate and whether with or without advance notice. For the avoidance of doubt, no period of notice that is given or that ought to have been given under applicable law in respect of such Termination of Service will be utilized in determining entitlement under the Plan or this Agreement. Any action by the Company or any Company Affiliate taken in accordance with the terms of the Plan and this Agreement as set out aforesaid shall be deemed to fully and completely satisfy any liability or obligation of the Company or any Company Affiliate

to the Participant in respect of the Plan or this Agreement arising from or in connection with such Termination of Service, including in respect of any period of notice given or that ought to have been given under applicable law in respect of such Termination of Service.

4. Tax Matters

(a) Withholding. The Participant shall pay to the Company or any applicable Company Affiliate, or make provision satisfactory to the Company or such Company Affiliate, for payment of, any taxes required by law to be withheld in connection with the exercise of any portion of this Option, as applicable, under one of the methods permitted by the Plan. Subject to any applicable legal conditions or restrictions, the Company shall, unless otherwise instructed by a Participant, withhold from the Shares otherwise issuable to the Participant upon the exercise of this Option or any portion thereof a number of whole Shares having a Fair Market Value, determined as of the date of exercise, not in excess of the minimum of tax required to be withheld by law (or such lower amount as may be necessary to avoid variable award accounting); provided that the foregoing is at such time permitted under the terms of the agreements governing any indebtedness to which the Company or any Company Affiliate may be a party; and provided, further that no fractional Shares will be retained to satisfy any portion of the withholding tax and the Participant hereby agrees to satisfy any additional amount of withholding taxes that are not satisfied through the retention of Shares by the Company. Any Shares retained by the Company pursuant to this Section shall be deducted from the underlying Shares to be received by such Participant upon exercise of this Option. Any adverse consequences to the Participant arising in connection with the Share withholding procedure set forth in the preceding sentence shall be the sole responsibility of the Participant.

5. Nontransferability of Options

This Option may not be sold, assigned, transferred, pledged or otherwise encumbered by the Participant, either voluntarily or by operation of law, except by will or the laws of descent and distribution, and, during the lifetime of the Participant, this Option shall be exercisable only by the Participant.

6. Provisions of the Plan

This Option is subject to the provisions of the Plan (including the provisions relating to amendments to the Plan), a copy of which is furnished to the Participant with this Option.

7. Definitions

Whenever the following terms are used in this Agreement, they shall have the meaning specified below unless the context clearly indicates to the contrary. Capitalized terms used in this Agreement and not defined below shall have the meaning given such terms in the Plan. The singular pronoun shall include the plural, where the context so indicates.

(a) Agreement. "Agreement" shall have the meaning set forth in the Stock Option Grant Notice.

(b) Cause. “Cause” shall mean,

(1) The Plan Administrator’s determination that the Participant failed to substantially perform his or her duties (other than any such failure resulting from the Participant’s disability) which is not remedied within ten days after receipt of written notice from the Company or any Company Affiliate, as applicable, specifying such failure;

(2) the Plan Administrator’s determination that the Participant failed to carry out, or comply with any lawful and reasonable directive of the Plan Administrator or the Participant’s immediate supervisor, which is not remedied within ten days after receipt of written notice from the Company or any Company Affiliate, as applicable, specifying such failure;

(3) the Participant’s conviction, plea of no contest, plea of *nolo contendere*, or imposition of unadjudicated probation for any felony or a crime involving moral turpitude;

(4) the Participant’s unlawful use (including being under the influence) or possession of illegal drugs on the Company’s or any Company Affiliate’s, as applicable, premises or while performing the Participant’s duties and responsibilities; or

(5) the Participant’s commission of a material act of fraud, embezzlement, misappropriation, willful misconduct or breach of fiduciary duty against the Company or any Company Affiliate, as applicable.

Notwithstanding the foregoing, if the Participant is a party to a written employment or consulting agreement with the Company (or any Company Affiliate), then “Cause” shall be as such term is defined in the applicable written employment or consulting agreement.

(c) Change in Control. “Change in Control” shall mean the consummation of any transaction or series of transactions pursuant to which one or more Persons or group of Persons acquires (a) capital stock of the Company possessing the voting power sufficient to elect a majority of the members of the Board or the board of directors of the successor to the Company (whether such transaction is effected by merger, consolidation, recapitalization, sale or transfer of the Company’s capital stock or otherwise) or (b) all or substantially all of the assets of the Company and its subsidiaries.

(d) Company. “Company” shall mean SS&C Technologies Holdings, Inc.

(e) Disability. “Disability” shall mean “disability,” as such term is defined in Section 22(e)(3) of the Code.

(f) Exercise Price. “Exercise Price” shall mean the per share price set forth in the Stock Option Grant Notice.

(g) Final Expiration Date. “Final Expiration Date” shall mean the date set forth in the Stock Option Grant Notice.

(h) Good Reason. “Good Reason” shall have the meaning set forth in the Participant’s employment agreement, or if not so defined, shall mean the occurrence, without the Participant’s express written consent, of (i) an adverse change in the Participant’s employment title; (ii) a material diminution in the Participant’s employment duties or responsibilities or authority, or the assignment to the Participant of duties that are materially inconsistent with the Participant’s position; (iii) any reduction in base salary or target annual bonus opportunity; (iv) any breach by the Company of any material provision of this Agreement or any other material agreement between the Participant and the Company; or (v) a material diminution in the Participant’s reporting line.

(i) Grant Date. “Grant Date” shall be the date set forth in the Stock Option Grant Notice.

(j) Person. “Person” shall mean an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, governmental authority or other entity of whatever nature.

(k) Plan. “Plan” shall mean the Second Amended and Restated 2014 Stock Incentive Plan of SS&C Technologies Holdings, Inc.

(l) Stock Option Grant Notice. “Stock Option Grant Notice” shall mean the Stock Option Grant Notice attached to this Agreement.

(m) Termination of Service. “Termination of Service” shall mean the time when the Participant ceases to be employed by, or providing services to, the Company and/or any Company Affiliate for any reason, including, but not by way of limitation, termination with or without Cause, by resignation, failure to be elected or appointed, discharge, death or retirement, but excluding, at the discretion of the Plan Administrator, terminations which result in a temporary severance of the service relationship. The Plan Administrator, in its good faith judgment, shall determine the effect of all matters and questions relating to Termination of Service, including, but not by way of limitation, the question of whether a Termination of Service resulted from discharge for Cause, and all questions of whether a particular leave of absence constitutes a Termination of Service. Notwithstanding any other provision of the Plan, the Company or any Company Affiliate has an absolute and unrestricted right to terminate a Participant’s service at any time for any reason, with or without cause, except to the extent expressly provided otherwise in a written employment or consulting agreement with the Company or any Company Affiliate.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

SS&C Technologies Holdings, Inc.

By: _____

Name:

Title:

Address: 80 Lambertson Road
Windsor, CT 06095

Participant

Name:

Address: _____

**SECOND AMENDED AND RESTATED 2014 STOCK INCENTIVE PLAN OF
SS&C TECHNOLOGIES HOLDINGS, INC.**

RESTRICTED STOCK UNIT GRANT NOTICE

Unless otherwise defined herein, the terms defined in the Second Amended and Restated 2014 Stock Incentive Plan (as it may be amended from time to time, the “**Plan**”) of SS&C Technologies Holdings, Inc. (the “**Company**”) shall have the same defined meanings in this Restricted Stock Unit Grant Notice (this “**Grant Notice**”) and the Restricted Stock Unit Award Agreement attached hereto as Appendix A (the “**Award Agreement**”) and, together with the Grant Notice, this “**Agreement**”). In the event of a conflict among the provisions of the Plan, this Agreement and any descriptive materials provided to you, the provisions of the Plan shall prevail.

You have been granted an Award of restricted stock units (“**RSUs**”), subject to the terms and conditions set forth in this Agreement and the Plan, as follows:

Name of Participant: [Full Name] (the “**Participant**”)

Number of RSUs: [•]

Grant Date: [] (the “**Grant Date**”)

Service Vesting: Unless otherwise provided in the Award Agreement, RSUs will vest _____;
provided that you remain in continuous employment or service with the Company through the applicable vesting date.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Grant Date.

SS&C TECHNOLOGIES HOLDINGS, INC.

By:

Name:

Title:

AGREED AND ACCEPTED:

Participant

[NAME]

**SECOND AMENDED AND RESTATED 2014 STOCK INCENTIVE PLAN OF
SS&C TECHNOLOGIES HOLDINGS, INC.**

RESTRICTED STOCK UNIT AWARD AGREEMENT

AGREEMENT (this “**Agreement**”) made this _____ (the “**Grant Date**”) between SS&C Technologies Holdings, Inc., a Delaware corporation (the “**Company**”), and _____ (the “**Participant**”).

Section 1. *Grant of Restricted Stock Units.*

The Company has issued to the Participant, pursuant to the Company’s Second Amended and Restated 2014 Stock Incentive Plan (the “**Plan**”), an aggregate of _____ Restricted Stock Units (the “**RSUs**”), with each RSU representing one share of common stock, \$0.01 par value per share, of the Company (the “**Shares**”), in consideration for employment services to be rendered by the Participant to the Company. Upon the vesting and settlement of the RSUs, the Company shall (i) issue one or more certificates in the name of the Participant for the Shares or (ii) issue the Shares in book entry form only in the name of the Participant. If the Company issues one or more certificates for the Shares, such certificate(s) shall initially be held on behalf of the Participant by the Secretary of the Company. Following the vesting of any RSUs pursuant to Section 2 below, the Secretary shall, if requested by the Participant, deliver to the Participant a certificate representing the Shares. If the Shares are issued in book entry form only, the Company shall, if requested by the Participant, issue and deliver to the Participant a certificate representing the Shares following the settlement of any RSUs pursuant to Section 2 below.

Section 2. *Vesting Schedule.*

Unless otherwise provided in this Agreement or the Plan, the RSUs shall vest in accordance with the vesting schedule set forth in the Grant Notice, *provided* that you remain in continuous employment or service with the Company through the applicable vesting date, unless the Plan Administrator subsequently determines to accelerate the vesting of these RSUs or as otherwise provided by Section 5(b).

Section 3. *Settlement of RSUs.*

The RSUs shall be settled to the extent vested on any applicable vesting date (including without limitation any vesting under Section 2 or Section 5(b)) by delivery of one (1) Share for each vested RSU being settled. Such delivery shall be made as promptly as practicable following such vesting date; *provided* that such delivery of Shares shall be made no later than March 15 of the calendar year immediately following the year in which the applicable vesting date occurs.

Section 4. *Dividend Equivalents.*

If and whenever the Company declares and pays a dividend or distribution on Shares during the period commencing on the Grant Date and ending on the date on which the Shares underlying the RSUs are distributed to the Participant, the Participant shall be credited with an amount equal to the amount of the dividend that the Participant would have received had the Shares in respect of the Participant’s outstanding RSUs been held by the Participant as of the record date for such dividend (any such amount, a “**Dividend Equivalent**”). Any Dividend Equivalent shall be subject to the same vesting provisions as set forth in this Agreement with respect to the RSUs and shall be paid to the Participant at the same time as the RSUs vest. The Plan Administrator will determine the form of payment in its sole discretion and may pay Dividend Equivalents in Shares, cash or a combination thereof. For the avoidance of doubt, no Dividend Equivalents will be paid to the Participant with respect to any canceled or forfeited RSUs.

Section 5. *Consequences of Termination of Service.*

(a) In the event of the Participant’s Termination of Service for any reason, all of the RSUs that are unvested as of the time of such Termination of Service shall be immediately forfeited without the payment of any consideration to the Participant.

(b) Notwithstanding any provision of this Agreement to the contrary, if, within twenty-four (24) months following a Change in Control, the Participant experiences a Termination of Service without Cause or

by the Participant for Good Reason, any unvested RSUs shall vest in full and the Shares underlying such RSUs shall be distributed to the Participant in accordance with Section 3.

Section 6. *Withholding Taxes.*

(a) The Participant acknowledges and agrees that the Company has the right to deduct from payments of any kind otherwise due to the Participant any federal, state or local taxes of any kind required by law to be withheld with respect to the vesting and/or settlement of the RSUs, including, without limitation, by withholding a net number of Shares underlying vested RSUs equal to such withholding obligation.

(b) The Participant has reviewed with the Participant's own tax advisors the federal, state, local and foreign tax consequences of the transactions contemplated by this Agreement. The Participant is relying solely on such advisors and not on any statements or representations of the Company or any of its agents. The Participant understands that the Participant (and not the Company) shall be responsible for the Participant's own tax liability that may arise as a result of the transactions contemplated by this Agreement.

Section 7. *Miscellaneous.*

(a) *Provisions of the Plan.* This Agreement is subject to the provisions of the Plan, a copy of which is furnished to the Participant with this Agreement.

(b) *Nontransferability of RSUs.* The RSUs may not be sold, assigned, transferred, pledged or otherwise encumbered by the Participant, either voluntarily or by operation of law, except by will or the laws of descent and distribution.

(c) *No Rights to Employment.* The Participant acknowledges and agrees that the transactions contemplated hereunder do not constitute an express or implied promise of continued engagement as an employee for any period or at all.

(d) *Severability.* The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.

(e) *Waiver.* Any provision for the benefit of the Company contained in this Agreement may be waived, either generally or in any particular instance, by the Board of Directors of the Company.

(f) *Binding Effect.* This Agreement shall be binding upon and inure to the benefit of the Company and the Participant and their respective heirs, executors, administrators, legal representatives, successors and assigns.

(g) *Notice.* All notices required or permitted hereunder shall be in writing and deemed effectively given upon personal delivery or five days after deposit in the United States Post Office, by registered or certified mail, postage prepaid, addressed to the other party hereto at the address shown beneath his or its respective signature to this Agreement, or at such other address or addresses as either party shall designate to the other in accordance with this Section 6(g).

(h) *Pronouns.* Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural, and vice versa.

(i) *Entire Agreement.* This Agreement and the Plan constitute the entire agreement between the parties, and supersedes all prior agreements and understandings, relating to the subject matter of this Agreement.

(j) *Amendment.* Notwithstanding anything to the contrary in the Plan, this Agreement may be amended or modified only by a written instrument executed by both the Company and the Participant.

(k) *Governing Law.* This Agreement shall be construed, interpreted and enforced in accordance with the internal laws of the State of Delaware without regard to any applicable conflicts of laws.

(l) *Participant's Acknowledgments.* The Participant acknowledges that he: (i) has read this Agreement; (ii) has been represented in the preparation, negotiation, and execution of this Agreement by legal counsel of the Participant's own choice or has voluntarily declined to seek such counsel; (iii) understands the terms and consequences of this Agreement; and (iv) is fully aware of the legal and binding effect of this Agreement.

Section 8. *Section 409A.*

This Agreement is intended to satisfy the requirements of Section 409A with respect to amounts, if any, subject thereto and shall be interpreted and construed and shall be performed by the parties consistent with such intent. The parties agree that the payments set forth herein comply with or are exempt from the requirements of Section 409A. Neither Participant nor the Company shall have the right to defer the delivery of any such payments except to the extent specifically permitted or required by Section 409A. Notwithstanding anything in this Agreement to the contrary, to the extent necessary to comply with Section 409A, the receipt of any benefits under this Agreement as a result of a termination of employment shall be subject to satisfaction of the condition precedent that the Participant undergo a "separation from service" within the meaning of Treasury Regulation Section 1.409A-1(h) or any successor thereto. In addition, if the Participant is deemed to be a "specified employee" within the meaning of that term under Section 409A(a)(2)(B) of the Code, then with regard to any payment or the provisions of any benefit that is required to be delayed pursuant to Section 409A(a)(2)(B) of the Code, such payment shall not be made or provided prior to the earlier of (i) the expiration of the six (6) month period measured from the date of the Participant's "separation from service" (as such term is defined in Treasury Regulation Section 1.409A-1(h)), or (ii) the date of the Participant's death (the "**Delay Period**"). Within ten (10) days following the expiration of the Delay Period, all payments delayed pursuant to this Section (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed to the Participant in a lump sum, and any remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein. Except as provided in the immediately preceding sentence, in no event shall settlement of the RSUs occur later than March 15 of the year after the year in which such RSUs become vested.

Section 9. *Definitions.*

Whenever the following terms are used in this Agreement, they shall have the meaning specified below unless the context clearly indicates to the contrary. Capitalized terms used in this Agreement and not defined below shall have the meaning given such terms in the Plan. The singular pronoun shall include the plural, where the context so indicates.

- (a) "**Cause**" shall have the meaning set forth in the Participant's employment or consulting agreement, or if not so defined, shall mean:
- (i) the Plan Administrator's determination that the Participant failed to substantially perform his or her duties (other than any such failure resulting from the Participant's disability) which is not remedied within ten days after receipt of written notice from the Company or any Company Affiliate, as applicable, specifying such failure;
 - (ii) the Plan Administrator's determination that the Participant failed to carry out, or comply with any lawful and reasonable directive of the Plan Administrator or the Participant's immediate supervisor, which is not remedied within ten days after receipt of written notice from the Company or any Company Affiliate, as applicable, specifying such failure;
 - (iii) the Participant's conviction, plea of no contest, plea of nolo contendere, or imposition of unadjudicated probation for any felony or a crime involving moral turpitude;
 - (iv) the Participant's unlawful use (including being under the influence) or possession of illegal drugs on the Company's or any Company Affiliate's, as applicable, premises or while performing the Participant's duties and responsibilities; or
 - (v) the Participant's commission of a material act of fraud, embezzlement, misappropriation, willful misconduct or breach of fiduciary duty against the Company or any
-

Company Affiliate, as applicable.

(b) **“Change in Control”** shall mean the consummation of any transaction or series of transactions pursuant to which one or more Persons or group of Persons acquires (i) capital stock of the Company possessing the voting power sufficient to elect a majority of the members of the Board or the board of directors of the successor to the Company (whether such transaction is effected by merger, consolidation, recapitalization, sale or transfer of the Company’s capital stock or otherwise) all or (ii) substantially all of the assets of the Company and its subsidiaries.

(c) **“Code”** shall mean the Internal Revenue Code of 1986, as amended.

(d) **“Good Reason”** shall have the meaning set forth in the Participant’s employment agreement, or if not so defined, shall mean the occurrence, without the Participant’s express written consent, of (i) an adverse change in the Participant’s employment title; (ii) a material diminution in the Participant’s employment duties or responsibilities or authority, or the assignment to the Participant of duties that are materially inconsistent with the Participant’s position; (iii) any reduction in base salary or target annual bonus opportunity; (iv) any breach by the Company of any material provision of this Agreement or any other material agreement between the Participant and the Company; or (v) a material diminution in the Participant’s reporting line.

(e) **“Section 409A”** shall mean Section 409A of the Code.

(f) **“SS&C”** shall mean SS&C Technologies, Inc.

(g) **“Termination of Service”** shall mean the time when the Participant ceases to be employed by, or providing services to, the Company and/or any Company Affiliate for any reason, including, but not by way of limitation, termination with or without Cause, by resignation, failure to be elected or appointed, discharge, death or retirement, but excluding, at the sole discretion of the Plan Administrator, terminations which result in a temporary severance of the service relationship. The Plan Administrator, in its good faith judgment, shall determine the effect of all matters and questions relating to Termination of Service, including, but not by way of limitation, the question of whether a Termination of Service resulted from discharge for Cause, and all questions of whether a particular leave of absence constitutes a Termination of Service. Notwithstanding any other provision set forth herein or in the Plan, the Company or any Company Affiliate has an absolute and unrestricted right to terminate a Participant’s employment or service at any time for any reason, with or without Cause, except to the extent expressly provided otherwise in a written employment or consulting agreement with the Company or any Company Affiliate.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

SS&C Technologies Holdings, Inc.

By: _____

Name:

Title:

Address: 80 Lambertson Road
Windsor, CT 06095

Participant

Name:

Address: _____

**SECOND AMENDED AND RESTATED 2014 STOCK INCENTIVE PLAN OF
SS&C TECHNOLOGIES HOLDINGS, INC.**

PERFORMANCE STOCK UNIT GRANT NOTICE

Unless otherwise defined herein, the terms defined in the Second Amended and Restated 2014 Stock Incentive Plan (as it may be amended from time to time, the “**Plan**”) of SS&C Technologies Holdings, Inc. (the “**Company**”) shall have the same defined meanings in this Performance Stock Unit Grant Notice (this “**Grant Notice**”) and the Performance Stock Unit Award Agreement attached hereto as Appendix A (the “**Award Agreement**”) and, together with the Grant Notice, this “**Agreement**”). In the event of a conflict among the provisions of the Plan, this Agreement and any descriptive materials provided to you, the provisions of the Plan shall prevail.

You have been granted a Performance Award of performance stock units (“**PSUs**”), subject to the terms and conditions set forth in this Agreement and the Plan, as follows:

Name of Participant:	[Full Name] (the “ Participant ”)
Target Number of PSUs:	[●] is the target number of PSUs (the “ Target PSUs ”). The Target PSUs shall be settled in Shares at a range from 0% to 200% of the Target PSUs based on the achieved results against the Performance Condition set forth on <u>Exhibit A</u> to this Agreement; <i>provided</i> , that if the threshold level for the Performance Condition is not achieved, all of the PSUs underlying this Award will be forfeited and cancelled without consideration.
Grant Date:	[_____] (the “ Grant Date ”)
Performance Period:	The Performance Period shall be the period from [_____] (the “ Performance Period ”).
Performance Condition:	The Award shall be subject to the satisfaction of the Performance Condition set forth on <u>Exhibit A</u> to this Agreement in respect of the Performance Period (the “ Performance Condition ”), subject to the terms set forth in this Agreement. The number of PSUs that are earned and eligible to convert to Shares based on the extent, if any, to which the Performance Condition is satisfied under the Award, as determined by the Committee, are referred to as the “ Earned PSUs ”.
Service Vesting:	The Earned PSUs will service vest on _____ (the “ Vesting Date ”), subject to (i) the Participant’s continuous service with the Company through the Vesting Date, (ii) the satisfaction of the Performance Condition, as

determined by the Committee, and (iii) the terms and conditions of the Award Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Grant Date.

SS&C TECHNOLOGIES HOLDINGS, INC.

By:

Name:

Title:

AGREED AND ACCEPTED:

Participant

[NAME]

**SECOND AMENDED AND RESTATED 2014 STOCK INCENTIVE PLAN OF SS&C TECHNOLOGIES HOLDINGS,
INC.**

PERFORMANCE STOCK UNIT AWARD AGREEMENT

This AGREEMENT (this “**Agreement**”) is made, effective as of the Grant Date (as defined in the Performance Stock Unit Grant Notice to which this Agreement is appended (the “**Grant Notice**”), between SS&C Technologies, Inc., a Delaware corporation (the “**Company**”), and the individual set forth in the Grant Notice (the “**Participant**”).

1. Grant of Performance Stock Units.

This Agreement evidences the grant by the Company on the Grant Date to the Participant of an award of Performance Stock Units (“**PSUs**”) on the terms provided herein and in the Plan, and as set forth on the Grant Notice (this “**Award**”). This Award is granted under the Plan, which is incorporated herein by reference and made a part of this Agreement.

2. Issuance of PSUs. Each PSU shall represent the right to receive one Share upon the vesting of such PSU, as determined in accordance with the terms of this Agreement, the Plan and the Grant Notice, and subject to the satisfaction of the performance condition set forth on Exhibit A (the “**Performance Condition**”). The target number of PSUs is set forth in the Grant Notice (the “**Target PSUs**”). The number of PSUs that are earned and eligible to convert to Shares based on the extent, if any, to which the Performance Condition is satisfied under the Award, as determined by the Committee, are referred to as the “**Earned PSUs**”. In no event shall the number of Earned PSUs under this Agreement equal more than 200% of the number of Target PSUs.

3. Vesting Schedule, Forfeiture Upon Termination, Effect of a Change in Control.

(a) The Award shall vest and become non-forfeitable in accordance with the vesting schedule set forth in the Grant Notice, subject to (i) the terms and conditions of this Agreement (including the satisfaction of the Performance Condition set forth on Exhibit A) and (ii) the Participant’s continuous service with the Company through the Vesting Date (as defined in the Grant Notice). For the avoidance of doubt, if the Grantee experiences a Termination of Service prior to the Vesting Date, subject to Section 3(b), all of the PSUs (regardless of the level of achievement of the Performance Condition) will be forfeited and cancelled without consideration.

(b) Notwithstanding any provision of this Agreement to the contrary,

upon the occurrence of a Change in Control, (i) the Performance Condition shall be deemed satisfied based on the greater of (x) target and (y) actual performance through the date such Change in Control occurs, as determined by the Plan Administrator in its sole discretion (and shall thereafter constitute Earned PSUs) and (ii) such Earned PSUs shall convert into an Award of time-based restricted stock units (the “**Time-Based RSUs**”) with respect to the number of Shares underlying such Earned PSUs and will be eligible to vest, subject to the Participant’s continuous service through the Vesting Date; *provided, however*, that if, within twenty-four (24) months following such Change in Control, the Participant experiences a Termination of Service without Cause or by the Participant for Good Reason, such Time-Based RSUs shall vest in full and the Shares underlying the Time-Based RSUs shall be distributed to the Participant pursuant to Section 4 (and the date of such Termination of Service shall be deemed a “Vesting Date” for such purposes).

4. Distribution. Subject to the provisions of this Agreement, upon the vesting of the Earned PSUs (or, if applicable, the Time-Based RSUs), the Company shall deliver to the Participant, as soon as reasonably practicable after the applicable Vesting Date, one Share for each such Earned PSU (or, if applicable, each Time-Based RSU); *provided* that such delivery of Shares shall be made no later than March 15 of the calendar year immediately following the year in which the applicable Vesting Date occurs.

5. Dividend Equivalents. If and whenever the Company declares and pays a dividend or distribution on Shares during the period commencing on the Grant Date and ending on the date on which the Shares underlying the PSUs (or Time-Based RSUs) are distributed to the Participant, the Participant shall be credited with an amount equal to the amount of the dividend that the Participant would have received had the Shares in respect of the Participant’s outstanding PSUs (or Time-Based RSUs) been held by the Participant as of the record date for such dividend (any such amount, a “**Dividend Equivalent**”). Any Dividend Equivalent shall be subject to the same vesting provisions (including the Performance Condition) as set forth in this Agreement with respect to the PSUs (or Time-Based RSUs) and shall be paid to the Participant at the same time as the Earned PSUs (or Time-Based RSUs) vest. The Plan Administrator will determine the form of payment in its sole discretion and may pay Dividend Equivalents in Shares, cash or a combination thereof. For the avoidance of doubt, no Dividend Equivalents will be paid to the Participant with respect to any canceled or forfeited PSUs (or Time-Based RSUs), including with respect to the any PSUs that fail to satisfy the Performance Condition.

6. Withholding Requirements. The Participant shall pay to the Company or any applicable Company Affiliate, or make provision satisfactory to the Company or such Company Affiliate, for payment of, any taxes required by law to be withheld in connection with the settlement of any portion of this Award, as applicable, under one of the methods permitted by the Plan. Subject to any applicable legal conditions or restrictions, the Company shall, unless otherwise instructed by a Participant, withhold from the Shares otherwise issuable to the Participant upon the settlement of this Award

or any portion thereof a number of whole Shares having a Fair Market Value, determined as of the date of settlement, not in excess of the minimum of tax required to be withheld by law (or such lower amount as may be necessary to avoid variable award accounting); provided that the foregoing is at such time permitted under the terms of the agreements governing any indebtedness to which the Company or any Company Affiliate may be a party; and provided, further that no fractional Shares will be retained to satisfy any portion of the withholding tax and the Participant hereby agrees to satisfy any additional amount of withholding taxes that are not satisfied through the retention of Shares by the Company. Any Shares retained by the Company pursuant to this Section shall be deducted from the underlying Shares to be received by such Participant upon settlement of this Award. Any adverse consequences to the Participant arising in connection with the Share withholding procedure set forth in the preceding sentence shall be the sole responsibility of the Participant.

7. Nontransferability of Award. This Award may not be sold, assigned, transferred, pledged or otherwise encumbered by the Participant, either voluntarily or by operation of law, except by will or the laws of descent and distribution, and, during the lifetime of the Participant, this Award shall be exercisable only by the Participant.

8. Provisions of the Plan. This Award is subject to the provisions of the Plan (including the provisions relating to amendments to the Plan), a copy of which is furnished to the Participant with this Award.

9. Miscellaneous.

(a) No Rights to Employment. The Participant acknowledges and agrees that the transactions contemplated hereunder do not constitute an express or implied promise of continued engagement as an employee or a consultant, as applicable, for any period or at all.

(b) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.

(c) Waiver. Any provision for the benefit of the Company contained in this Agreement may be waived, either generally or in any particular instance, by the Board.

(d) Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Company and the Participant and their respective heirs, executors, administrators, legal representatives, successors and assigns.

(e) Notice. All notices required or permitted hereunder shall be in writing and deemed effectively given upon personal delivery or five days after deposit in the United States Post Office, by registered or certified mail, postage prepaid, addressed to the other party hereto at the address shown beneath his or its respective

signature to this Agreement, or at such other address or addresses as either party shall designate to the other in accordance with this Section 9(e).

(f) Entire Agreement. This Agreement and the Plan constitute the entire agreement between the parties, and supersedes all prior agreements and understandings, relating to the subject matter of this Agreement.

(g) Amendment. Subject to the terms of the Plan, this Agreement may be amended or modified only by a written instrument executed by both the Company and the Participant.

(h) Governing Law. This Agreement shall be construed, interpreted and enforced in accordance with the internal laws of the State of Delaware without regard to any applicable conflicts of laws.

(i) Participant's Acknowledgments. The Participant acknowledges that he or she: (i) has read this Agreement; (ii) has been represented in the preparation, negotiation, and execution of this Agreement by legal counsel of the Participant's own choice or has voluntarily declined to seek such counsel; (iii) understands the terms and consequences of this Agreement; and (iv) is fully aware of the legal and binding effect of this Agreement.

10. Definitions.

Whenever the following terms are used in this Agreement, they shall have the meaning specified below unless the context clearly indicates to the contrary. Capitalized terms used in this Agreement and not defined below shall have the meaning given such terms in the Plan. The singular pronoun shall include the plural, where the context so indicates.

(a) "Agreement" shall have the meaning set forth in the Performance Stock Unit Grant Notice.

(b) "Cause" shall have the meaning set forth in the Participant's employment or consulting agreement, or if not so defined, shall mean,

(i) The Plan Administrator's determination that the Participant failed to substantially perform his or her duties (other than any such failure resulting from the Participant's disability) which is not remedied within ten days after receipt of written notice from the Company or any Company Affiliate, as applicable, specifying such failure;

(ii) the Plan Administrator's determination that the Participant failed to carry out, or comply with any lawful and reasonable directive of the Plan Administrator or the Participant's immediate supervisor, which is not remedied within ten days after receipt of written notice from the Company or any Company Affiliate, as applicable, specifying such failure;

(iii) the Participant's conviction, plea of no contest, plea of *nolo contendere*, or imposition of unadjudicated probation for any felony or a crime involving moral turpitude;

(iv) the Participant's unlawful use (including being under the influence) or possession of illegal drugs on the Company's or any Company Affiliate's, as applicable, premises or while performing the Participant's duties and responsibilities; or

(v) the Participant's commission of a material act of fraud, embezzlement, misappropriation, willful misconduct or breach of fiduciary duty against the Company or any Company Affiliate, as applicable.

(c) "Change in Control" shall mean the consummation of any transaction or series of transactions pursuant to which one or more Persons or group of Persons acquires (a) capital stock of the Company possessing the voting power sufficient to elect a majority of the members of the Board or the board of directors of the successor to the Company (whether such transaction is effected by merger, consolidation, recapitalization, sale or transfer of the Company's capital stock or otherwise) or (b) all or substantially all of the assets of the Company and its Subsidiaries.

(d) "Company" shall mean SS&C Technologies Holdings, Inc.

(e) "Good Reason" shall have the meaning set forth in the Participant's employment agreement, or if not so defined, shall mean the occurrence, without the Participant's express written consent, of (i) an adverse change in the Participant's employment title; (ii) a material diminution in the Participant's employment duties or responsibilities or authority, or the assignment to the Participant of duties that are materially inconsistent with the Participant's position; (iii) any reduction in base salary or target annual bonus opportunity; (iv) any breach by the Company of any material provision of this Agreement or any other material agreement between the Participant and the Company; or (v) a material diminution in the Participant's reporting line.

(f) "Grant Date" shall be the date set forth in the Performance Stock Unit Grant Notice.

(g) "Person" shall mean an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, governmental authority or other entity of whatever nature.

(h) "Plan" shall mean the Second Amended and Restated 2014 Stock Incentive Plan of SS&C Technologies Holdings, Inc.

(i) "Share" shall mean a share of Common Stock.

(j) “Subsidiary” of any entity shall mean any corporation in an unbroken chain of corporations beginning with such entity if each of the corporations other than the last corporation in the unbroken chain then owns stock possessing 50% or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

(k) “Termination of Service” shall mean the time when the Participant ceases to be an Eligible Participant for any reason, including, but not by way of limitation, termination with or without Cause, by resignation with or without Good Reason, failure to be elected or appointed, discharge, death or retirement, but excluding, at the discretion of the Plan Administrator, terminations which result in a temporary severance of the service relationship. The Plan Administrator, in its good faith judgment, shall determine the effect of all matters and questions relating to Termination of Service, including, but not by way of limitation, the question of whether a Termination of Service resulted from discharge for Cause, and all questions of whether a particular leave of absence constitutes a Termination of Service. Notwithstanding any other provision of the Plan, the Company or any Company Affiliate has an absolute and unrestricted right to terminate a Participant’s service at any time for any reason, with or without cause, except to the extent expressly provided otherwise in a written employment or consulting agreement with the Company or any Company Affiliate.

Exhibit A

CERTIFICATION

I, William C. Stone, certify that:

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

Date: May 3, 2023

/s/ William C. Stone

William C. Stone
Chairman of the Board and Chief Executive Officer
(Principal Executive Officer)

CERTIFICATION

I, Patrick J. Pedonti, certify that:

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

Date: May 3, 2023

/s/ Patrick J. Pedonti

Patrick J. Pedonti

Senior Vice President and Chief Financial Officer
(Principal Financial Officer)

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

In connection with the quarterly report on Form 10-Q of SS&C Technologies Holdings, Inc. (the "Company") for the period ended March 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned officers of the Company hereby certify to their knowledge, pursuant to 18 U.S.C. Section 1350, that:

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

Date: May 3, 2023

By: /s/ William C. Stone
William C. Stone
Chairman of the Board and Chief Executive Officer
(Principal Executive Officer)

Date: May 3, 2023

By: /s/ Patrick J. Pedonti
Patrick J. Pedonti
Senior Vice President and Chief Financial Officer
(Principal Financial Officer)
