

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 1-9183

Harley-Davidson, Inc.

Wisconsin
(State of organization)

39-1382325
(I.R.S. Employer Identification No.)

3700 West Juneau Avenue
(Address of principal executive offices)

Milwaukee

Wisconsin

53208
(Zip code)

(Exact name of registrant as specified in its charter)

Registrant's telephone number, including area code: (414) 342-4680

None
(Former name, former address and former fiscal year, if changed since last report)

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 \$.01 PER SHARE	HOG	New York Stock Exchange

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 requirements for the past 90 days. Yes ☒ No ☐

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

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

Large Accelerated Filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

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

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

The registrant had outstanding 143,760,258 shares of common stock as of April 28, 2023.

HARLEY-DAVIDSON, INC.
Form 10-Q
For The Quarter Ended March 31, 2023

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

HARLEY-DAVIDSON, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)
(Unaudited)

	March 31, 2023	Three months ended March 27, 2022
Revenue:		
Motorcycles and related products	\$ 1,565,591	\$ 1,303,171
Financial services	223,095	192,015
	1,788,686	1,495,186
Costs and expenses:		
Motorcycles and related products cost of goods sold	1,007,301	895,536
Financial services interest expense	73,549	42,099
Financial services provision for credit losses	52,364	28,822
Selling, administrative and engineering expense	285,863	239,625
Restructuring benefit	—	(128)
	1,419,077	1,205,954
Operating income	369,609	289,232
Other income, net	20,096	11,030
Investment income (loss)	10,025	(1,979)
Interest expense	7,720	7,711
Income before income taxes	392,010	290,572
Income tax provision	90,181	68,070
Net income	301,829	222,502
Less: Loss attributable to noncontrolling interests	2,261	—
Net income attributable to Harley-Davidson, Inc.	\$ 304,090	\$ 222,502
Earnings per share:		
Basic	\$ 2.08	\$ 1.46
Diluted	\$ 2.04	\$ 1.45
Cash dividends per share	\$ 0.1650	\$ 0.1575

The accompanying notes are integral to the consolidated financial statements.

HARLEY-DAVIDSON, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands)
(Unaudited)

	March 31, 2023	Three months ended March 27, 2022
Net income	\$ 301,829	\$ 222,502
Other comprehensive (loss) income, net of tax:		
Foreign currency translation adjustments	10,121	(4,121)
Derivative financial instruments	(21,882)	9,928
Pension and postretirement benefit plans	(962)	5,502
	(12,723)	11,309
Comprehensive income	289,106	233,811
Less: Comprehensive loss attributable to noncontrolling interests	2,261	—
Comprehensive income attributable to Harley-Davidson, Inc.	\$ 291,367	\$ 233,811

The accompanying notes are integral to the consolidated financial statements.

HARLEY-DAVIDSON, INC.
CONSOLIDATED BALANCE SHEETS
(In thousands)

	(Unaudited) March 31, 2023	December 31, 2022	(Unaudited) March 27, 2022
ASSETS			
Cash and cash equivalents	\$ 1,561,200	\$ 1,433,175	\$ 1,393,731
Accounts receivable, net	333,533	252,225	254,286
Finance receivables, net of allowance of \$62,706, \$62,488, and \$60,889	2,245,628	1,782,631	1,699,642
Inventories, net	830,521	950,960	714,259
Restricted cash	164,965	135,424	142,812
Other current assets	154,660	196,238	182,527
Current assets	5,290,507	4,750,653	4,387,257
Finance receivables, net of allowance of \$295,725, \$296,223, and \$279,584	5,328,095	5,355,807	5,121,911
Property, plant and equipment, net	690,051	689,886	663,807
Pension and postretirement assets	336,569	320,133	399,029
Goodwill	62,426	62,090	62,607
Deferred income taxes	141,208	135,041	71,926
Lease assets	43,540	43,931	45,073
Other long-term assets	137,189	134,935	143,030
	<u>\$ 12,029,585</u>	<u>\$ 11,492,476</u>	<u>\$ 10,894,640</u>
LIABILITIES AND SHAREHOLDERS' EQUITY			
Accounts payable	\$ 404,414	\$ 378,002	\$ 476,917
Accrued liabilities	625,296	620,945	597,924
Short-term deposits, net	144,854	79,710	65,049
Short-term debt	501,243	770,468	816,016
Current portion of long-term debt, net	1,408,777	1,684,782	1,327,357
Current liabilities	3,084,584	3,533,907	3,283,263
Long-term deposits, net	224,457	237,665	283,034
Long-term debt, net	5,275,169	4,457,052	4,470,086
Lease liabilities	26,674	26,777	27,633
Pension and postretirement liabilities	66,968	67,955	93,792
Deferred income taxes	31,032	29,528	9,578
Other long-term liabilities	224,852	232,784	218,153
Commitments and contingencies (Note 14)			
Shareholders' equity:			
Common stock	1,711	1,704	1,704
Additional paid-in-capital	1,707,214	1,688,159	1,554,840
Retained earnings	2,770,616	2,490,649	2,040,867
Accumulated other comprehensive loss	(354,652)	(341,929)	(229,610)
Treasury stock, at cost	(1,031,831)	(935,064)	(858,700)
Total Harley-Davidson, Inc. shareholders' equity	3,093,058	2,903,519	2,509,101
Noncontrolling interest	2,791	3,289	—
Total equity	<u>3,095,849</u>	<u>2,906,808</u>	<u>2,509,101</u>
	<u>\$ 12,029,585</u>	<u>\$ 11,492,476</u>	<u>\$ 10,894,640</u>

HARLEY-DAVIDSON, INC.
CONSOLIDATED BALANCE SHEETS (continued)
(In thousands)

	(Unaudited) March 31, 2023	December 31, 2022	(Unaudited) March 27, 2022
Balances held by consolidated variable interest entities (Note 10):			
Finance receivables, net - current	\$ 597,952	\$ 559,651	\$ 455,638
Other assets	\$ 10,738	\$ 9,805	\$ 4,373
Finance receivables, net - non-current	\$ 2,463,095	\$ 2,317,956	\$ 1,487,650
Restricted cash - current and non-current	\$ 171,285	\$ 141,128	\$ 156,297
Current portion of long-term debt, net	\$ 684,180	\$ 619,683	\$ 551,305
Long-term debt, net	\$ 1,946,435	\$ 1,825,525	\$ 1,075,787

The accompanying notes are integral to the consolidated financial statements.

HARLEY-DAVIDSON, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Three months ended	
	March 31, 2023	March 27, 2022
Net cash provided by operating activities (Note 6)	\$ 46,677	\$ 139,321
Cash flows from investing activities:		
Capital expenditures	(45,114)	(27,999)
Origination of finance receivables	(917,145)	(1,058,461)
Collections on finance receivables	890,852	965,190
Other investing activities	821	135
Net cash used by investing activities	(70,586)	(121,135)
Cash flows from financing activities:		
Proceeds from issuance of medium-term notes	693,276	495,785
Repayments of medium-term notes	(350,000)	(550,000)
Proceeds from securitization debt	547,706	—
Repayments of securitization debt	(310,640)	(271,499)
Borrowings of asset-backed commercial paper	—	62,455
Repayments of asset-backed commercial paper	(62,634)	(56,634)
Net (decrease) increase in unsecured commercial paper	(270,119)	64,521
Net increase in deposits	51,822	57,660
Dividends paid	(24,123)	(24,056)
Repurchase of common stock	(96,767)	(261,737)
Other financing activities	69	—
Net cash provided (used) by financing activities	178,590	(483,505)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	3,820	(1,743)
Net increase (decrease) in cash, cash equivalents and restricted cash	<u>\$ 158,501</u>	<u>\$ (467,062)</u>
Cash, cash equivalents and restricted cash:		
Cash, cash equivalents and restricted cash, beginning of period	\$ 1,579,177	\$ 2,025,219
Net increase (decrease) in cash, cash equivalents and restricted cash	158,501	(467,062)
Cash, cash equivalents and restricted cash, end of period	<u>\$ 1,737,678</u>	<u>\$ 1,558,157</u>
Reconciliation of cash, cash equivalents and restricted cash on the Consolidated balance sheets to the Consolidated statements of cash flows:		
Cash and cash equivalents	\$ 1,561,200	\$ 1,393,731
Restricted cash	164,965	142,812
Restricted cash included in Other long-term assets	11,513	21,614
Cash, cash equivalents and restricted cash per the Consolidated statements of cash flows	<u>\$ 1,737,678</u>	<u>\$ 1,558,157</u>

The accompanying notes are integral to the consolidated financial statements.

HARLEY-DAVIDSON, INC.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(In thousands, except share and per share amounts)
(Unaudited)

	Equity Attributable to Harley-Davidson, Inc.							Equity Attributable to Noncontrolling Interests	Total Equity
	Common Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total		
	Issued Shares	Balance							
Balance, December 31, 2022	170,400,212	\$ 1,704	\$ 1,688,159	\$ 2,490,649	\$ (341,929)	\$ (935,064)	\$ 2,903,519	\$ 3,289	\$ 2,906,808
Net income	—	—	—	304,090	—	—	304,090	(2,261)	\$ 301,829
Other comprehensive income, net of tax (Note 15)	—	—	—	—	(12,723)	—	(12,723)	—	\$ (12,723)
Dividends (\$0.1650 per share)	—	—	—	(24,123)	—	—	(24,123)	—	\$ (24,123)
Repurchase of common stock	—	—	—	—	—	(96,767)	(96,767)	—	\$ (96,767)
Share-based compensation	733,658	7	19,055	—	—	—	19,062	1,763	\$ 20,825
Balance, March 31, 2023	171,133,870	1,711	1,707,214	2,770,616	(354,652)	(1,031,831)	3,093,058	2,791	3,095,849
Balance, December 31, 2021	169,364,686	\$ 1,694	\$ 1,547,011	\$ 1,842,421	\$ (240,919)	\$ (596,963)	\$ 2,553,244	\$ —	\$ 2,553,244
Net income	—	—	—	222,502	—	—	222,502	—	\$ 222,502
Other comprehensive income, net of tax (Note 15)	—	—	—	—	11,309	—	11,309	—	\$ 11,309
Dividends (\$0.1575 per share)	—	—	—	(24,056)	—	—	(24,056)	—	\$ (24,056)
Repurchase of common stock	—	—	—	—	—	(261,737)	(261,737)	—	\$ (261,737)
Share-based compensation	976,062	10	7,829	—	—	—	7,839	—	\$ 7,839
Balance, March 27, 2022	170,340,748	1,704	1,554,840	2,040,867	(229,610)	(858,700)	2,509,101	—	2,509,101

The accompanying notes are integral to the consolidated financial statements.

HARLEY-DAVIDSON, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Basis of Presentation and Use of Estimates

Principles of Consolidation and Basis of Presentation – The consolidated financial statements include the accounts of Harley-Davidson, Inc. and its subsidiaries and certain variable interest entities (VIEs) related to secured financing as the Company is the primary beneficiary. All intercompany accounts and material intercompany transactions have been eliminated. The Company has a controlling equity interest in LiveWire Group, Inc. As the controlling shareholder, the Company consolidates LiveWire Group, Inc. results with additional adjustments to recognize non-controlling shareholder interests.

The Company operates in three reportable segments: Harley-Davidson Motor Company (HDMC), LiveWire and Harley-Davidson Financial Services (HDFS). The Company changed its segments in the period ended December 31, 2022. The change has been retrospectively reflected in the periods presented below.

Substantially all of the Company's international subsidiaries use their respective local currency as their functional currency. Assets and liabilities of international subsidiaries have been translated at period-end exchange rates, and revenues and expenses have been translated using average exchange rates for the period. Monetary assets and liabilities denominated in a currency that is different from an entity's functional currency are remeasured from the transactional currency to the entity's functional currency on a monthly basis. The aggregate transaction gain resulting from foreign currency remeasurements was \$3.3 million and \$1.6 million for the three month periods ended March 31, 2023 and March 27, 2022, respectively.

In the opinion of the Company's management, the accompanying unaudited consolidated financial statements contain all adjustments, consisting only of normal recurring adjustments, necessary to present fairly the *Consolidated balance sheets* as of March 31, 2023 and March 27, 2022, the *Consolidated statements of operations* for the three month periods then ended, the *Consolidated statements of comprehensive income* for the three month periods then ended, the *Consolidated statements of cash flows* for the three month periods then ended, and the *Consolidated statements of shareholders' equity* for the three month periods ended March 31, 2023 and March 27, 2022.

Certain information and disclosures normally included in complete financial statements have been condensed or omitted pursuant to the rules and regulations of the U.S. Securities and Exchange Commission (SEC) and U.S. generally accepted accounting principles (U.S. GAAP) for interim financial reporting. The consolidated financial statements should be read in conjunction with the audited consolidated financial statements and accompanying notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2022.

Use of Estimates – The preparation of financial statements in conformity with U.S. GAAP requires the Company's management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and the accompanying notes. Actual results could differ from those estimates.

Fair Value Measurements – The Company assesses the inputs used to measure fair value using a three-tier hierarchy.

Level 1 inputs include quoted prices for identical instruments and are the most observable.

Level 2 inputs include quoted prices for similar assets and observable inputs such as interest rates, foreign currency exchange rates, commodity prices, and yield curves. The Company uses the market approach to derive the fair value for its Level 2 fair value measurements. Foreign currency contracts, commodity contracts, and cross-currency swaps are valued using quoted forward rates and prices; interest rate caps are valued using quoted interest rates and yield curves.

Level 3 inputs are not observable in the market and include the Company's judgments about the assumptions market participants would use in pricing the asset or liability.

2. New Accounting Standards

Accounting Standards Recently Adopted

In March 2022, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2022-02, Financial Instruments-Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures (ASU 2022-02). ASU 2022-02 addresses areas identified by the FASB as part of its post-implementation review of its previously issued credit losses standard (ASU 2016-13) that introduced the current expected credit losses (CECL) model. ASU 2022-02

eliminates the accounting guidance for troubled debt restructurings by creditors that have adopted the CECL model and enhances disclosure requirements for certain loan refinancings and restructurings made with borrowers experiencing financial difficulty. In addition, ASU 2022-02 requires a public business entity to disclose current-period gross write-offs for financing receivables and net investment in leases by year of origination in the vintage disclosures. The Company adopted ASU 2022-02 on January 1, 2023. The adoption did not have a material impact on the Company's consolidated financial statements.

3. Revenue

The Company recognizes revenue when it satisfies a performance obligation by transferring control of a good or service to a customer. Revenue is measured based on the consideration that the Company expects to be entitled to in exchange for the goods or services transferred. Taxes that are collected from a customer concurrent with revenue-producing activities are excluded from revenue.

Disaggregated revenue by major source was as follows (in thousands):

	Three months ended	
	March 31, 2023	March 27, 2022
HDMC:		
Motorcycles	\$ 1,302,378	\$ 1,057,005
Parts and accessories	167,671	165,320
Apparel	71,391	51,404
Licensing	6,210	6,497
Other	10,179	12,544
	<u>1,557,829</u>	<u>1,292,770</u>
LiveWire	7,762	10,401
Motorcycles and related products revenue	<u>1,565,591</u>	<u>1,303,171</u>
HDFS:		
Interest income	182,270	161,734
Other	40,825	30,281
Financial services revenue	<u>223,095</u>	<u>192,015</u>
	<u>\$ 1,788,686</u>	<u>\$ 1,495,186</u>

The Company maintains certain deferred revenue balances related to payments received at contract inception in advance of the Company's performance under the contract and generally relates to the sale of Harley Owners Group® memberships and various financial services products. Deferred revenue is recognized as revenue as the Company performs under the contract. Deferred revenue, included in *Accrued liabilities* and *Other long-term liabilities* on the *Consolidated balance sheets*, was as follows (in thousands):

	March 31, 2023	March 27, 2022
Balance, beginning of period	\$ 44,100	\$ 40,092
Balance, end of period	\$ 43,176	\$ 38,842

Previously deferred revenue recognized as revenue in the three months ended March 31, 2023 and March 27, 2022 was \$6.8 million and \$7.7 million, respectively. The Company expects to recognize approximately \$17.8 million of the remaining unearned revenue over the next 12 months and \$25.4 million thereafter.

4. Income Taxes

The Company's effective income tax rate for the three months ended March 31, 2023 was 23.0% compared to 23.4% for the three months ended March 27, 2022.

5. Earnings Per Share

The computation of basic and diluted earnings per share was as follows (in thousands, except per share amounts):

	Three months ended	
	March 31, 2023	March 27, 2022
Net income attributable to Harley-Davidson, Inc.	\$ 304,090	\$ 222,502
Basic weighted-average shares outstanding	146,048	152,820
Effect of dilutive securities – employee stock compensation plan	2,883	1,104
Diluted weighted-average shares outstanding	148,931	153,924
Net earnings per share:		
Basic	\$ 2.08	\$ 1.46
Diluted	\$ 2.04	\$ 1.45

Shares of common stock related to share-based compensation that were not included in the effect of dilutive securities because the effect would have been anti-dilutive include 1.3 million and 0.5 million shares for the three months ended March 31, 2023 and March 27, 2022, respectively.

6. Additional Balance Sheet and Cash Flow Information

Investments in Marketable Securities – The Company's investments in marketable securities consisted of the following (in thousands):

	March 31, 2023	December 31, 2022	March 27, 2022
Mutual funds	\$ 34,017	\$ 33,071	\$ 45,189

Mutual funds, included in *Other long-term assets* on the *Consolidated balance sheets*, are carried at fair value with gains and losses recorded in income. Mutual funds are held to support certain deferred compensation obligations.

Inventories, net – Substantially all inventories located in the U.S. are valued using the last-in, first-out (LIFO) method. Other inventories are valued at the lower of cost or net realizable value using the first-in, first-out (FIFO) method. Motorcycle finished goods inventories include motorcycles that are ready for sale and motorcycles that are substantially complete but awaiting installation of certain components affected by global supply chain constraints. *Inventories, net* consisted of the following (in thousands):

	March 31, 2023	December 31, 2022	March 27, 2022
Raw materials and work in process	\$ 387,466	\$ 331,380	\$ 376,600
Motorcycle finished goods	380,083	549,041	291,623
Parts and accessories and apparel	182,905	187,039	130,156
Inventory at lower of FIFO cost or net realizable value	950,454	1,067,460	798,379
Excess of FIFO over LIFO cost	(119,933)	(116,500)	(84,120)
	\$ 830,521	\$ 950,960	\$ 714,259

Deposits – HDFFS offers brokered certificates of deposit to customers indirectly through contractual arrangements with third-party banks and/or securities brokerage firms through its bank subsidiary. The Company had \$369.3 million, \$317.4 million and \$348.1 million, net of fees, of interest-bearing brokered certificates of deposit outstanding as of March 31, 2023, December 31, 2022, and March 27, 2022, respectively. The liabilities for deposits are included in *Short-term deposits, net* or *Long-term deposits, net* on the *Consolidated balance sheets* based upon the term of each brokered certificate of deposit issued. Each separate brokered certificate of deposit is issued under a master certificate, and as such, all outstanding brokered certificates of deposit are considered below the Federal Deposit Insurance Corporation insurance coverage limits.

Future maturities of the Company's certificates of deposit as of March 31, 2023 were as follows (in thousands):

2023	\$	81,167
2024		115,491
2025		39,740
2026		79,742
2027		54,158
Thereafter		—
Future maturities		370,298
Unamortized fees		(987)
	\$	369,311

Operating Cash Flow – The reconciliation of Net income to Net cash provided by operating activities was as follows (in thousands):

	Three months ended	
	March 31, 2023	March 27, 2022
Cash flows from operating activities:		
Net income	\$ 301,829	\$ 222,502
Adjustments to reconcile Net income to Net cash provided by operating activities:		
Depreciation and amortization	34,352	39,258
Amortization of deferred loan origination costs	21,858	22,995
Amortization of financing origination fees	3,011	3,701
Provision for long-term employee benefits	(16,939)	(5,050)
Employee benefit plan contributions and payments	(1,739)	(2,143)
Stock compensation expense	23,628	8,903
Net change in wholesale finance receivables related to sales	(487,314)	(205,727)
Provision for credit losses	52,364	28,822
Deferred income taxes	5,648	6,307
Other, net	(21,671)	(5,408)
Changes in current assets and liabilities:		
Accounts receivable, net	(77,993)	(74,993)
Finance receivables – accrued interest and other	2,252	3,115
Inventories, net	123,047	(2,630)
Accounts payable and accrued liabilities	43,787	106,969
Other current assets	40,557	(7,300)
	(255,152)	(83,181)
Net cash provided by operating activities	\$ 46,677	\$ 139,321

7. Finance Receivables

Finance receivables include both retail and wholesale finance receivables, including amounts held by consolidated VIEs. Finance receivables are recorded in the financial statements at amortized cost net of an allowance for credit losses.

The Company provides retail financial services to customers of its dealers in the U.S. and Canada. The origination of retail loans is a separate and distinct transaction between the Company and the retail customer, unrelated to the Company's sale of product to its dealers. Retail finance receivables consist of secured promissory notes and secured installment sales contracts and are primarily related to dealer sales of motorcycles to retail customers. The Company holds either titles or liens on titles to vehicles financed by promissory notes and installment sales contracts.

The Company offers wholesale financing to its dealers in the U.S. and Canada. Wholesale finance receivables are related primarily to the Company's sale of motorcycles and related parts and accessories to dealers. Wholesale loans to dealers are generally secured by financed inventory or property.

Finance receivables, net were as follows (in thousands):

	March 31, 2023	December 31, 2022	March 27, 2022
Retail finance receivables	\$ 6,708,103	\$ 6,748,201	\$ 6,511,845
Wholesale finance receivables	1,224,051	748,948	650,181
	<u>7,932,154</u>	<u>7,497,149</u>	<u>7,162,026</u>
Allowance for credit losses	(358,431)	(358,711)	(340,473)
	<u>\$ 7,573,723</u>	<u>\$ 7,138,438</u>	<u>\$ 6,821,553</u>

The Company's finance receivables are reported at amortized cost, net of the allowance for credit losses. Amortized cost includes the principal outstanding, accrued interest, and deferred loan fees and costs. The Company's allowance for credit losses reflects expected lifetime credit losses on its finance receivables. Based on differences in the nature of the finance receivables and the underlying methodology for calculating the allowance for credit losses, the Company segments its finance receivables into the retail and wholesale portfolios. The Company further disaggregates each portfolio by credit quality indicators. As the credit risk varies between the retail and wholesale portfolios, the Company utilizes different credit quality indicators for each portfolio.

The retail portfolio primarily consists of a large number of small balance, homogeneous finance receivables. The Company performs a collective evaluation of the adequacy of the retail allowance for credit losses. The Company utilizes a vintage-based loss forecast methodology that includes decompositions for probability of default, exposure at default, attrition rate, and recovery balance rate. Reasonable and supportable economic forecasts for a two-year period are incorporated into the methodology to reflect the estimated impact of changes in future economic conditions, such as unemployment rates, household obligations or other relevant factors, over the two-year reasonable and supportable period. For periods beyond the Company's reasonable and supportable forecasts, the Company reverts to its average historical loss experience using a mean-reversion process over a three-year period. Adjustments to historical loss information are made for differences in current loan-specific risk characteristics such as differences in underwriting standards, portfolio mix, or term as well as other relevant factors.

The wholesale portfolio is primarily composed of large balance, non-homogeneous loans. The Company's evaluation for the wholesale allowance for credit losses is first based on a loan-by-loan review to determine whether the loans share similar risk characteristics. The Company individually evaluates loans that do not share risk characteristics. Loans identified as those for which foreclosure is probable are classified as Non-Performing, and a specific allowance for credit losses is established when appropriate. The specific allowance is determined based on the amortized cost of the related finance receivable and the estimated fair value of the collateral, less selling costs and the cash that the Company expects to receive. Finance receivables in the wholesale portfolio not individually assessed are aggregated, based on similar risk characteristics, according to the Company's internal risk rating system and measured collectively. The related allowance for credit losses is based on factors such as the specific borrower's financial performance and ability to repay, the Company's past credit loss experience, reasonable and supportable economic forecasts, and the value of the underlying collateral and expected recoveries.

The Company considers various third-party economic forecast scenarios as part of estimating the allowance for expected credit losses and applies a probability-weighting to those economic forecast scenarios. Each quarter, the Company's outlook on economic conditions impacts the Company's retail and wholesale estimates for expected credit losses. During the first quarter of 2023, the overall macro-economic conditions remained uncertain as near-term recession concerns did not abate, elevated levels of inflation continued to challenge the U.S. and global economies, and muted consumer confidence persisted, among other factors. As such, at the end the first quarter of 2023, the Company's outlook on economic conditions and its probability weighting of its economic forecast scenarios were weighted towards a near-term recession.

Additionally, the historical experience incorporated into the portfolio-specific models does not fully reflect the Company's comprehensive expectations regarding the future. As such, the Company incorporated qualitative factors to establish an appropriate allowance for credit losses balance. These factors include motorcycle recovery value considerations, delinquency adjustments, specific problem loan trends, and changes in other portfolio-specific loan characteristics.

Due to the use of projections and assumptions in estimating the losses, the amount of losses actually incurred by the Company in either portfolio could differ from the amounts estimated. Further, the Company's allowance for credit losses incorporates known conditions at the balance sheet date and the Company's expectations surrounding the economic

forecasts. The Company will continue to monitor future economic trends and conditions. Expectations surrounding the Company's economic forecasts may change in future periods as additional information becomes available.

Changes in the Company's allowance for credit losses on its finance receivables by portfolio were as follows (in thousands):

	Three months ended March 31, 2023		
	Retail	Wholesale	Total
Balance, beginning of period	\$ 345,275	\$ 13,436	\$ 358,711
Provision for credit losses	50,969	1,395	52,364
Charge-offs	(68,008)	—	(68,008)
Recoveries	15,364	—	15,364
Balance, end of period	\$ 343,600	\$ 14,831	\$ 358,431

	Three months ended March 27, 2022		
	Retail	Wholesale	Total
Balance, beginning of period	\$ 326,320	\$ 13,059	\$ 339,379
Provision for credit losses	28,614	208	28,822
Charge-offs	(41,804)	—	(41,804)
Recoveries	14,076	—	14,076
Balance, end of period	\$ 327,206	\$ 13,267	\$ 340,473

The Company manages retail credit risk through its credit approval process and ongoing collection efforts. The Company uses FICO scores, a standard credit rating measurement, to differentiate the expected default rates of retail credit applicants, enabling the Company to better evaluate credit applicants for approval and to tailor pricing according to this assessment. For the Company's U.S. and Canadian retail finance receivables, the Company determines the credit quality indicator for each loan at origination and does not update the credit quality indicator subsequent to the loan origination date.

As loan performance by credit quality indicator differs between the U.S. and Canadian retail loans, the Company's credit quality indicators vary for the two portfolios. For U.S. retail finance receivables, those with a FICO score of 740 or above at origination are generally considered super prime, loans with a FICO score between 640 and 740 are generally categorized as prime, and loans with FICO score below 640 are generally considered sub-prime. For Canadian retail finance receivables, those with a FICO score of 700 or above at origination are generally considered super prime, loans with a FICO score between 620 and 700 are generally categorized as prime, and loans with FICO score below 620 are generally considered sub-prime.

The amortized cost of the Company's U.S. and Canadian retail finance receivables by vintage and credit quality indicator was as follows (in thousands):

	March 31, 2023						
	2023	2022	2021	2020	2019	2018 & Prior	Total
U.S. Retail:							
Super prime	\$ 284,656	\$ 1,007,543	\$ 547,008	\$ 240,495	\$ 133,205	\$ 72,247	\$ 2,285,154
Prime	314,959	1,317,733	799,814	378,539	224,682	170,944	3,206,671
Sub-prime	86,541	379,206	264,358	145,132	94,898	85,829	1,055,964
	<u>686,156</u>	<u>2,704,482</u>	<u>1,611,180</u>	<u>764,166</u>	<u>452,785</u>	<u>329,020</u>	<u>6,547,789</u>
Canadian Retail:							
Super prime	10,428	44,213	26,550	15,250	9,921	4,668	111,030
Prime	3,650	14,850	9,711	6,482	4,439	3,917	43,049
Sub-prime	579	2,013	1,237	1,033	754	619	6,235
	<u>14,657</u>	<u>61,076</u>	<u>37,498</u>	<u>22,765</u>	<u>15,114</u>	<u>9,204</u>	<u>160,314</u>
	<u>\$ 700,813</u>	<u>\$ 2,765,558</u>	<u>\$ 1,648,678</u>	<u>\$ 786,931</u>	<u>\$ 467,899</u>	<u>\$ 338,224</u>	<u>\$ 6,708,103</u>
Current-period gross charge-offs:							
US Retail	\$ —	\$ 23,440	\$ 22,535	\$ 10,215	\$ 5,818	\$ 5,100	\$ 67,108
Canadian Retail	—	300	245	150	33	172	900
	<u>\$ —</u>	<u>\$ 23,740</u>	<u>\$ 22,780</u>	<u>\$ 10,365</u>	<u>\$ 5,851</u>	<u>\$ 5,272</u>	<u>\$ 68,008</u>
	December 31, 2022						
	2022	2021	2020	2019	2018	2017 & Prior	Total
U.S. Retail:							
Super prime	\$ 1,118,198	\$ 612,890	\$ 276,492	\$ 159,550	\$ 69,652	\$ 26,701	\$ 2,263,483
Prime	1,433,141	887,817	425,401	260,458	135,454	79,611	3,221,882
Sub-prime	420,660	298,153	164,946	108,372	57,993	46,827	1,096,951
	<u>2,971,999</u>	<u>1,798,860</u>	<u>866,839</u>	<u>528,380</u>	<u>263,099</u>	<u>153,139</u>	<u>6,582,316</u>
Canadian Retail:							
Super prime	49,033	30,090	17,553	12,215	4,975	1,527	115,393
Prime	16,094	10,705	7,283	5,098	3,068	1,787	44,035
Sub-prime	2,223	1,402	1,173	869	475	315	6,457
	<u>67,350</u>	<u>42,197</u>	<u>26,009</u>	<u>18,182</u>	<u>8,518</u>	<u>3,629</u>	<u>165,885</u>
	<u>\$ 3,039,349</u>	<u>\$ 1,841,057</u>	<u>\$ 892,848</u>	<u>\$ 546,562</u>	<u>\$ 271,617</u>	<u>\$ 156,768</u>	<u>\$ 6,748,201</u>

	March 27, 2022						
	2022	2021	2020	2019	2018	2017 & Prior	Total
U.S. Retail:							
Super prime	\$ 311,114	\$ 890,413	\$ 422,454	\$ 268,692	\$ 139,540	\$ 68,682	\$ 2,100,895
Prime	394,793	1,247,764	627,102	407,242	233,630	176,018	3,086,549
Sub-prime	125,280	427,813	240,999	159,968	91,444	91,610	1,137,114
	<u>831,187</u>	<u>2,565,990</u>	<u>1,290,555</u>	<u>835,902</u>	<u>464,614</u>	<u>336,310</u>	<u>6,324,558</u>
Canadian Retail:							
Super prime	14,015	47,025	29,382	23,367	11,524	4,515	129,828
Prime	4,228	15,842	11,513	8,349	5,454	4,391	49,777
Sub-prime	506	2,180	1,961	1,401	861	773	7,682
	<u>18,749</u>	<u>65,047</u>	<u>42,856</u>	<u>33,117</u>	<u>17,839</u>	<u>9,679</u>	<u>187,287</u>
	<u>\$ 849,936</u>	<u>\$ 2,631,037</u>	<u>\$ 1,333,411</u>	<u>\$ 869,019</u>	<u>\$ 482,453</u>	<u>\$ 345,989</u>	<u>\$ 6,511,845</u>

The Company's credit risk on the wholesale portfolio is different from that of the retail portfolio. Whereas the retail portfolio represents a relatively homogeneous pool of retail finance receivables that exhibit more consistent loss patterns, the wholesale portfolio exposures are less consistent. The Company utilizes an internal credit risk rating system to manage credit risk exposure consistently across wholesale borrowers and individually evaluates credit risk factors for each borrower. The Company uses the following internal credit quality indicators, based on an internal risk rating system, listed from highest level of risk to lowest level of risk for the wholesale portfolio: Doubtful, Substandard, Special Mention, Medium Risk and Low Risk. Based upon the Company's review, the dealers classified in the Doubtful category are the dealers with the greatest likelihood of being charged-off, while the dealers classified as Low Risk are least likely to be charged-off. Additionally, the Company classifies dealers identified as those in which foreclosure is probable as Non-Performing. The internal rating system considers factors such as the specific borrower's ability to repay and the estimated value of any collateral. Dealer risk rating classifications are reviewed and updated by the Company on a quarterly basis.

The amortized cost of the Company's wholesale financial receivables, by vintage and credit quality indicator, was as follows (in thousands):

	March 31, 2023						
	2023	2022	2021	2020	2019	2018 & Prior	Total
Non-Performing	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Doubtful	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	—	—
Special Mention	—	—	—	—	—	—	—
Medium Risk	—	—	—	—	—	—	—
Low Risk	857,152	335,247	9,123	6,191	11,130	5,208	1,224,051
	<u>\$ 857,152</u>	<u>\$ 335,247</u>	<u>\$ 9,123</u>	<u>\$ 6,191</u>	<u>\$ 11,130</u>	<u>\$ 5,208</u>	<u>\$ 1,224,051</u>

	December 31, 2022						
	2022	2021	2020	2019	2018	2017 & Prior	Total
Non-Performing	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Doubtful	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	—	—
Special Mention	—	—	—	—	—	—	—
Medium Risk	—	—	—	—	—	—	—
Low Risk	714,238	11,478	6,646	8,457	7,938	191	748,948
	<u>\$ 714,238</u>	<u>\$ 11,478</u>	<u>\$ 6,646</u>	<u>\$ 8,457</u>	<u>\$ 7,938</u>	<u>\$ 191</u>	<u>\$ 748,948</u>

	March 27, 2022						
	2022	2021	2020	2019	2018	2017 & Prior	Total
Non-Performing	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Doubtful	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	—	—
Special Mention	—	—	—	—	—	—	—
Medium Risk	—	—	—	—	—	—	—
Low Risk	489,283	127,797	9,108	11,147	9,893	2,953	650,181
	<u>\$ 489,283</u>	<u>\$ 127,797</u>	<u>\$ 9,108</u>	<u>\$ 11,147</u>	<u>\$ 9,893</u>	<u>\$ 2,953</u>	<u>\$ 650,181</u>

Retail finance receivables are contractually delinquent if the minimum payment is not received by the specified due date. Retail finance receivables at amortized cost, excluding accrued interest, are generally charged-off when the receivable is 120 days or more delinquent, the related asset is repossessed, or the receivable is otherwise deemed uncollectible. The Company reverses accrued interest related to charged-off accounts against Financial Services interest income when the account is charged-off. The Company reversed \$7.2 million and \$4.9 million of accrued interest against Financial Services interest income during the three months ended March 31, 2023 and March 27, 2022, respectively. All retail finance receivables accrue interest until either collected or charged-off. Due to the timely write-off of accrued interest, the Company made the election provided under *Accounting Standards Codification (ASC) Topic 326, Financial Instruments - Credit Losses* to exclude accrued interest from its allowance for credit losses. Accordingly, as of March 31, 2023, December 31, 2022 and March 27, 2022, all retail finance receivables were accounted for as interest-earning receivables.

Wholesale finance receivables are delinquent if the minimum payment is not received by the contractual due date. Wholesale finance receivables are written down once the Company determines that the specific borrower does not have the ability to repay the loan in full. Interest continues to accrue on past due finance receivables until the date the Company determines that foreclosure is probable, and the finance receivable is placed on non-accrual status. The Company will resume accruing interest on these accounts when payments are current according to the terms of the loans and future payments are reasonably assured. While on non-accrual status, all cash received is applied to principal or interest as appropriate. Once an account is charged-off, the Company will reverse the associated accrued interest against interest income. As the Company follows a non-accrual policy for interest, the allowance for credit losses excludes accrued interest for the wholesale portfolio.

There were no charged-off accounts during the three months ended March 31, 2023 and March 27, 2022. As such, the Company did not reverse any wholesale accrued interest in those periods. There were no dealers on non-accrual status at March 31, 2023, December 31, 2022, and March 27, 2022.

The aging analysis of the Company's finance receivables was as follows (in thousands):

March 31, 2023						
	Current	31-60 Days Past Due	61-90 Days Past Due	Greater than 90 Days Past Due	Total Past Due	Total
Retail finance receivables	\$ 6,488,892	\$ 125,327	\$ 44,748	\$ 49,136	\$ 219,211	\$ 6,708,103
Wholesale finance receivables	1,223,752	298	—	1	299	1,224,051
	<u>\$ 7,712,644</u>	<u>\$ 125,625</u>	<u>\$ 44,748</u>	<u>\$ 49,137</u>	<u>\$ 219,510</u>	<u>\$ 7,932,154</u>
December 31, 2022						
	Current	31-60 Days Past Due	61-90 Days Past Due	Greater than 90 Days Past Due	Total Past Due	Total
Retail finance receivables	\$ 6,473,462	\$ 152,343	\$ 60,446	\$ 61,950	\$ 274,739	\$ 6,748,201
Wholesale finance receivables	748,682	222	44	—	266	748,948
	<u>\$ 7,222,144</u>	<u>\$ 152,565</u>	<u>\$ 60,490</u>	<u>\$ 61,950</u>	<u>\$ 275,005</u>	<u>\$ 7,497,149</u>
March 27, 2022						
	Current	31-60 Days Past Due	61-90 Days Past Due	Greater than 90 Days Past Due	Total Past Due	Total
Retail finance receivables	\$ 6,343,673	\$ 99,705	\$ 32,521	\$ 35,946	\$ 168,172	\$ 6,511,845
Wholesale finance receivables	649,948	178	27	28	233	650,181
	<u>\$ 6,993,621</u>	<u>\$ 99,883</u>	<u>\$ 32,548</u>	<u>\$ 35,974</u>	<u>\$ 168,405</u>	<u>\$ 7,162,026</u>

Generally, it is the Company's policy not to change the terms and conditions of finance receivables. However, to minimize economic loss, the Company may modify certain finance receivables in troubled loan modifications. Total finance receivables in troubled loan modifications were not significant as of March 31, 2023, December 31, 2022 and March 27, 2022. In accordance with its policies, in certain situations, the Company may offer short-term adjustments to customer payment due dates without affecting the associated interest rate or loan term.

8. Derivative Financial Instruments and Hedging Activities

The Company is exposed to risks from fluctuations in foreign currency exchange rates, interest rates and commodity prices. To reduce its exposure to such risks, the Company selectively uses derivative financial instruments. All derivative transactions are authorized and executed pursuant to regularly reviewed policies and procedures which prohibit the use of financial instruments for speculative trading purposes.

The Company sells products in foreign currencies and utilizes foreign currency exchange contracts to mitigate the effects of foreign currency exchange rate fluctuations related to the Euro, Australian dollar, Japanese yen, Brazilian real, Canadian dollar, Mexican peso, Chinese yuan, Singapore dollar, Thai baht, and Pound sterling. The Company's foreign currency exchange contracts generally have maturities of less than one year.

The Company utilizes commodity contracts to mitigate the effects of commodity price fluctuations related to metals and fuel consumed in its motorcycle operations. The Company's commodity contracts generally have maturities of less than one year.

The Company periodically utilizes treasury rate and swap rate lock contracts to fix the interest rate on a portion of the principal related to an anticipated issuance of long-term debt and cross-currency swaps to mitigate the effect of foreign currency exchange rate fluctuations on its foreign currency-denominated debt. The Company also utilizes interest rate caps to facilitate certain asset-backed securitization transactions.

All derivative financial instruments are recognized on the *Consolidated balance sheets* at fair value. In accordance with ASC Topic 815, *Derivatives and Hedging* (ASC Topic 815), the accounting for changes in the fair value of a derivative financial instrument depends on whether it has been designated and qualifies as part of a hedging relationship and, further, on the type of hedging relationship.

Changes in the fair value of derivative financial instruments that are designated as cash flow hedges are initially recorded in *Other comprehensive (loss) income* (OCI) and subsequently reclassified into income when the hedged item affects income. The Company assesses, both at the inception of each hedge and on an ongoing basis, whether the derivative financial instruments that are designated as cash flow hedging transactions are highly effective in offsetting changes in cash flows of the hedged items. No component of a designated hedging derivative financial instrument's gain or loss is excluded from the assessment of hedge effectiveness. Derivative financial instruments not designated as hedges are not speculative and are used to manage the Company's exposure to foreign currency, commodity risks, and interest rate risks. Changes in the fair value of derivative financial instruments not designated as hedging instruments are recorded directly in income. Cash flow activity associated with the Company's derivative financial instruments is recorded in *Cash flows from operating activities* on the *Consolidated statement of cash flow*.

The notional and fair values of the Company's derivative financial instruments under ASC Topic 815 were as follows (in thousands):

	Derivative Financial Instruments Designated as Cash Flow Hedging Instruments								
	March 31, 2023			December 31, 2022			March 27, 2022		
	Notional Value	Assets ^(a)	Liabilities ^(b)	Notional Value	Assets ^(a)	Liabilities ^(b)	Notional Value	Assets ^(a)	Liabilities ^(b)
Foreign currency contracts	\$ 530,175	\$ 3,134	\$ 12,659	\$ 550,160	\$ 6,054	\$ 13,440	\$ 585,451	\$ 18,832	\$ 3,576
Commodity contracts	906	—	339	1,361	—	410	964	316	—
Cross-currency swaps	2,127,240	—	34,685	1,367,460	—	36,101	1,367,460	18,835	—
Swap rate lock contracts	324,843	—	1,780	—	—	—	—	—	—
	<u>\$ 2,983,164</u>	<u>\$ 3,134</u>	<u>\$ 49,463</u>	<u>\$ 1,918,981</u>	<u>\$ 6,054</u>	<u>\$ 49,951</u>	<u>\$ 1,953,875</u>	<u>\$ 37,983</u>	<u>\$ 3,576</u>
	Derivative Financial Instruments Not Designated as Hedging Instruments								
	March 31, 2023			December 31, 2022			March 27, 2022		
	Notional Value	Assets ^(a)	Liabilities ^(b)	Notional Value	Assets ^(a)	Liabilities ^(b)	Notional Value	Assets ^(a)	Liabilities ^(b)
Foreign currency contracts	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 230,336	\$ 587	\$ 722
Commodity contracts	11,229	99	755	10,803	310	310	11,866	2,435	—
Interest rate caps	938,768	1,414	—	1,058,827	2,373	—	412,478	2,060	—
	<u>\$ 949,997</u>	<u>\$ 1,513</u>	<u>\$ 755</u>	<u>\$ 1,069,630</u>	<u>\$ 2,683</u>	<u>\$ 310</u>	<u>\$ 654,680</u>	<u>\$ 5,082</u>	<u>\$ 722</u>

- (a) Includes \$1.4 million and \$2.4 million of interest rate caps recorded in *Other long-term assets* as of March 31, 2023 and December 31, 2022, respectively, with all remaining amounts recorded in *Other current assets*.
- (b) Includes \$27.9 million and \$24.2 million of cross-currency swaps recorded in *Other long-term liabilities* as of March 31, 2023 and December 31, 2022, respectively, with all remaining amounts recorded in *Accrued liabilities*.

The amounts of gains and losses related to the Company's derivative financial instruments designated as cash flow hedges were as follows (in thousands):

	Gain/(Loss) Recognized in OCI		Gain/(Loss) Reclassified from AOCL into Income	
	Three months ended		Three months ended	
	March 31, 2023	March 27, 2022	March 31, 2023	March 27, 2022
Foreign currency contracts	\$ (1,706)	\$ 8,444	\$ 6,290	\$ 5,655
Commodity contracts	(309)	562	(379)	226
Cross-currency swaps	1,416	(16,236)	21,625	(25,800)
Treasury rate lock contracts	1,139	—	(66)	(127)
Swap rate lock contracts	(1,780)	—	(5)	—
	<u>\$ (1,240)</u>	<u>\$ (7,230)</u>	<u>\$ 27,465</u>	<u>\$ (20,046)</u>

The location and amount of gains and losses recognized in income related to the Company's derivative financial instruments designated as cash flow hedges were as follows (in thousands):

Line item on the Consolidated statements of operations in which the effects of cash flow hedges are recorded	Motorcycles and related products cost of goods sold	Selling, administrative & engineering expense	Interest expense	Financial services interest expense
	Three months ended March 31, 2023			
Line item on the Consolidated statements of operations in which the effects of cash flow hedges are recorded	\$ 1,007,301	\$ 285,863	\$ 7,720	\$ 73,549
Gain/(loss) reclassified from AOCL into income:				
Foreign currency contracts	\$ 6,290	\$ —	\$ —	\$ —
Commodity contracts	\$ (379)	\$ —	\$ —	\$ —
Cross-currency swaps	\$ —	\$ 21,625	\$ —	\$ —
Treasury rate lock contracts	\$ —	\$ —	\$ (91)	\$ 25
Swap rate lock contracts	\$ —	\$ —	\$ —	\$ (5)
	Three months ended March 27, 2022			
Line item on the Consolidated statements of operations in which the effects of cash flow hedges are recorded	\$ 895,536	\$ 239,625	\$ 7,711	\$ 42,099
Gain/(loss) reclassified from AOCL into income:				
Foreign currency contracts	\$ 5,655	\$ —	\$ —	\$ —
Commodity contracts	\$ 226	\$ —	\$ —	\$ —
Cross-currency swaps	\$ —	\$ (25,800)	\$ —	\$ —
Treasury rate lock contracts	\$ —	\$ —	\$ (91)	\$ (36)

The amount of net loss included in *Accumulated other comprehensive loss* (AOCL) at March 31, 2023, estimated to be reclassified into income over the next 12 months was \$17.6 million.

The amount of gains and losses recognized in income related to derivative financial instruments not designated as hedging instruments were as follows (in thousands). Gains and losses on foreign currency contracts and commodity contracts were recorded in *Motorcycles and related products cost of goods sold*. Gains and losses on interest rate caps were recorded in *Selling, administrative & engineering expense*.

	Amount of Gain/(Loss) Recognized in Income	
	Three months ended March 31, 2023	March 27, 2022
Foreign currency contracts	\$ (627)	\$ (3,506)
Commodity contracts	(99)	2,387
Interest rate caps	(958)	1,700
	<u>\$ (1,684)</u>	<u>\$ 581</u>

The Company is exposed to credit loss risk in the event of non-performance by counterparties to its derivative financial instruments. Although no assurances can be given, the Company does not expect any of the counterparties to its derivative financial instruments to fail to meet their obligations. To manage credit loss risk, the Company evaluates counterparties based on credit ratings and, on a quarterly basis, evaluates each hedge's net position relative to the counterparty's ability to cover their position.

9. Debt

Debt with a contractual term less than 12 months is generally classified as short-term and consisted of the following (in thousands):

	March 31, 2023	December 31, 2022	March 27, 2022
Unsecured commercial paper	\$ 501,243	\$ 770,468	\$ 816,016

Debt with a contractual term greater than 12 months is generally classified as long-term and consisted of the following (in thousands):

	March 31, 2023	December 31, 2022	March 27, 2022
Secured debt:			
Asset-backed Canadian commercial paper conduit facility	\$ 62,195	\$ 71,785	\$ 95,664
Asset-backed U.S. commercial paper conduit facility	372,816	425,794	269,534
Asset-backed securitization debt	2,267,516	2,028,155	1,363,254
Unamortized discounts and debt issuance costs	(9,717)	(8,741)	(5,696)
	<u>2,692,810</u>	<u>2,516,993</u>	<u>1,722,756</u>
Unsecured notes (at par value):			
Medium-term notes:			
Due in 2022, issued June 2017	2.55 % —	—	400,000
Due in 2023, issued February 2018	3.35 % —	350,000	350,000
Due in 2023, issued May 2020 ^(a)	4.94 % 706,972	695,727	723,886
Due in 2024, issued November 2019 ^(b)	3.14 % 652,590	642,210	668,202
Due in 2025, issued June 2020	3.35 % 700,000	700,000	700,000
Due in 2027, issued February 2022	3.05 % 500,000	500,000	500,000
Due in 2028, issued March 2023	6.50 % 700,000	—	—
Unamortized discounts and debt issuance costs	(13,971)	(8,464)	(12,243)
	<u>3,245,591</u>	<u>2,879,473</u>	<u>3,329,845</u>

		March 31, 2023	December 31, 2022	March 27, 2022
Senior notes:				
Due in 2025, issued July 2015	3.50 %	450,000	450,000	450,000
Due in 2045, issued July 2015	4.625 %	300,000	300,000	300,000
Unamortized discounts and debt issuance costs		(4,455)	(4,632)	(5,158)
		<u>745,545</u>	<u>745,368</u>	<u>744,842</u>
		<u>3,991,136</u>	<u>3,624,841</u>	<u>4,074,687</u>
Long-term debt				
Current portion of long-term debt, net		6,683,946	6,141,834	5,797,443
Long-term debt, net		<u>(1,408,777)</u>	<u>(1,684,782)</u>	<u>(1,327,357)</u>
		<u>\$ 5,275,169</u>	<u>\$ 4,457,052</u>	<u>\$ 4,470,086</u>

- (a) €650.0 million par value remeasured to U.S. dollar at March 31, 2023, December 31, 2022, and March 27, 2022, respectively
(b) €600.0 million par value remeasured to U.S. dollar at March 31, 2023, December 31, 2022, and March 27, 2022, respectively

Future principal payments of the Company's debt obligations as of March 31, 2023 were as follows (in thousands):

2023	\$ 1,783,948
2024	1,302,020
2025	1,857,244
2026	606,941
2027	663,172
Thereafter	1,000,007
Future principal payments	<u>7,213,332</u>
Unamortized discounts and debt issuance costs	<u>(28,143)</u>
	<u>\$ 7,185,189</u>

10. Asset-Backed Financing

The Company participates in asset-backed financing both through asset-backed securitization transactions and through asset-backed commercial paper conduit facilities. In the Company's asset-backed financing programs, the Company transfers retail motorcycle finance receivables to special purpose entities (SPEs), which are considered VIEs under U.S. GAAP. Each SPE then converts those assets into cash, through the issuance of debt. The Company retains servicing rights for all of the retail motorcycle finance receivables transferred to SPEs as part of an asset-backed financing. The accounting treatment for asset-backed financings depends on the terms of the related transaction and the Company's continuing involvement with the VIE.

In transactions where the Company has power over the significant activities of the VIE and has an obligation to absorb losses or the right to receive benefits from the VIE that are potentially significant to the VIE, the Company is the primary beneficiary of the VIE and consolidates the VIE within its consolidated financial statements. On a consolidated basis, the asset-backed financing is treated as a secured borrowing in this type of transaction and is referred to as an on-balance sheet asset-backed financing.

In transactions where the Company is not the primary beneficiary of the VIE, the Company must determine whether it can achieve a sale for accounting purposes under *ASC Topic 860, Transfers and Servicing*. To achieve a sale for accounting purposes, the assets being transferred must be legally isolated, not be constrained by restrictions from further transfer, and be deemed to be beyond the Company's control. If the Company does not meet all of these criteria for sale accounting, then the transaction is accounted for as a secured borrowing and is referred to as an on-balance sheet asset-backed financing.

If the Company meets all three of the sale criteria above, the transaction is recorded as a sale for accounting purposes and is referred to as an off-balance sheet asset-backed financing. Upon sale, the retail motorcycle finance receivables are removed from the Company's *Consolidated balance sheets* and a gain or loss is recognized for the difference between the cash proceeds received, the assets derecognized, and the liabilities recognized as part of the transaction. The gain or loss on sale is included in *Financial Services revenue* on the *Consolidated statements of operations*.

The Company is not required, and does not currently intend, to provide any additional financial support to the on- or off-balance sheet VIEs associated with these transactions. Investors and creditors in these transactions only have recourse to the assets held by the VIEs.

The assets and liabilities related to the on-balance sheet asset-backed financings included in the *Consolidated balance sheets* were as follows (in thousands):

March 31, 2023						
	Finance receivables	Allowance for credit losses	Restricted cash	Other assets	Total assets	Asset-backed debt, net
On-balance sheet assets and liabilities:						
Consolidated VIEs:						
Asset-backed securitizations	\$ 2,815,885	\$ (144,336)	\$ 142,265	\$ 8,799	\$ 2,822,613	\$ 2,257,799
Asset-backed U.S. commercial paper conduit facility	410,529	(21,031)	29,020	1,939	420,457	372,816
Unconsolidated VIEs:						
Asset-backed Canadian commercial paper conduit facility	70,485	(2,980)	5,193	151	72,849	62,195
	<u>\$ 3,296,899</u>	<u>\$ (168,347)</u>	<u>\$ 176,478</u>	<u>\$ 10,889</u>	<u>\$ 3,315,919</u>	<u>\$ 2,692,810</u>
December 31, 2022						
	Finance receivables	Allowance for credit losses	Restricted cash	Other assets	Total assets	Asset-backed debt, net
On-balance sheet assets and liabilities:						
Consolidated VIEs:						
Asset-backed securitizations	\$ 2,558,450	\$ (130,774)	\$ 114,254	\$ 7,899	\$ 2,549,829	\$ 2,019,414
Asset-backed U.S. commercial paper conduit facility	474,167	(24,236)	26,874	1,906	478,711	425,794
Unconsolidated VIEs:						
Asset-backed Canadian commercial paper conduit facility	82,375	(3,452)	4,873	130	83,926	71,785
	<u>\$ 3,114,992</u>	<u>\$ (158,462)</u>	<u>\$ 146,001</u>	<u>\$ 9,935</u>	<u>\$ 3,112,466</u>	<u>\$ 2,516,993</u>
March 27, 2022						
	Finance receivables	Allowance for credit losses	Restricted cash	Other assets	Total assets	Asset-backed debt, net
On-balance sheet assets and liabilities:						
Consolidated VIEs:						
Asset-backed securitizations	\$ 1,755,446	\$ (88,090)	\$ 131,992	\$ 3,724	\$ 1,803,072	\$ 1,357,558
Asset-backed U.S. commercial paper conduit facility	290,481	(14,549)	24,305	649	300,886	269,534
Unconsolidated VIEs:						
Asset-backed Canadian commercial paper conduit facility	108,052	(4,457)	8,129	43	111,767	95,664
	<u>\$ 2,153,979</u>	<u>\$ (107,096)</u>	<u>\$ 164,426</u>	<u>\$ 4,416</u>	<u>\$ 2,215,725</u>	<u>\$ 1,722,756</u>

On-Balance Sheet Asset-Backed Securitization VIEs – The Company transfers U.S. retail motorcycle finance receivables to SPEs which in turn issue secured notes to investors, with various maturities and interest rates, secured by future collections of the purchased U.S. retail motorcycle finance receivables. Each on-balance sheet asset-backed securitization SPE is a separate legal entity, and the U.S. retail motorcycle finance receivables included in the asset-backed securitizations are only available for payment of the secured debt and other obligations arising from the asset-backed securitization transactions and are not available to pay other obligations or claims of the Company's creditors until the associated secured debt and other obligations are satisfied. Restricted cash balances held by the SPEs are used only to support the securitizations. There are no amortization schedules for the secured notes; however, the debt is reduced monthly as available collections on the related U.S. retail motorcycle finance receivables are applied to outstanding principal. The secured notes currently have various contractual maturities ranging from 2024 to 2030.

The Company is the primary beneficiary of its on-balance sheet asset-backed securitization VIEs because it retains servicing rights and a residual interest in the VIEs in the form of a debt security. As the servicer, the Company is the variable interest holder with the power to direct the activities of the VIE that most significantly impact the VIE's economic performance. As a residual interest holder, the Company has the obligation to absorb losses and the right to receive benefits which could potentially be significant to the VIE.

During the first quarter of 2023, the Company transferred \$628.5 million of U.S. retail motorcycle finance receivables to an SPE which, in turn, issued \$550.0 million, or \$547.7 million net of discount and issuance costs, of secured notes through an on-balance sheet asset-backed securitization transaction. There were no on-balance sheet asset-backed securitization transactions during the first quarter of 2022.

On-Balance Sheet Asset-Backed U.S. Commercial Paper Conduit Facility VIE – The Company has a \$1.50 billion revolving facility agreement (the U.S. Conduit Facility) with third-party banks and their asset-backed U.S. commercial paper conduits. Under the revolving facility agreement, the Company may transfer U.S. retail motorcycle finance receivables to an SPE, which in turn may issue debt to those third-party banks and their asset-backed U.S. commercial paper conduits. In November 2022, the Company renewed the U.S. Conduit Facility. As a result of the renewal, the agreement no longer allows for uncommitted additional borrowings, at the lender's discretion, of up to \$300.0 million in addition to the \$1.50 billion aggregate commitment. Prior to the November 2022 renewal, the Company drew against the \$300.0 million of uncommitted additional borrowings that were available prior to the renewal and, at March 31, 2023, \$72.8 million of the amount drawn remained outstanding. Availability under the U.S. Conduit Facility is based on, among other things, the amount of eligible U.S. retail motorcycle finance receivables held by the SPE as collateral.

Under the U.S. Conduit Facility, the assets of the SPE are restricted as collateral for the payment of the debt or other obligations arising in the transaction and are not available to pay other obligations or claims of the Company's creditors. The terms for this debt provide for interest on the outstanding principal based on prevailing commercial paper rates if funded by a conduit lender through the issuance of commercial paper. Subsequent to the November 2022 renewal, the interest rate on all outstanding debt and future borrowings, if not funded by a conduit lender through the issuance of commercial paper, is based on the Secured Overnight Financing Rate (SOFR), with provisions for a transition to other benchmark rates in the future, if necessary. Prior to the renewal, if not funded by a conduit lender through the issuance of commercial paper, the terms of the interest were based on LIBOR or SOFR, as appropriate, with provisions for a transition to other benchmark rates. In addition to interest, a program fee is assessed based on the outstanding debt principal balance. The U.S. Conduit Facility also provides for an unused commitment fee based on the unused portion of the total aggregate commitment. There is no amortization schedule; however, the debt is reduced monthly as available collections on the related finance receivables are applied to outstanding principal. Upon expiration of the U.S. Conduit Facility, any outstanding principal will continue to be reduced monthly through available collections. The expected remaining term of the related receivables held by the SPE is approximately 4 years. Unless earlier terminated or extended by mutual agreement of the Company and the lenders, as of March 31, 2023, the U.S. Conduit Facility has an expiration date of November 17, 2023.

The Company is the primary beneficiary of its U.S. Conduit Facility VIE because it retains servicing rights and a residual interest in the VIE in the form of a debt security. As the servicer, the Company is the variable interest holder with the power to direct the activities of the VIE that most significantly impact the VIE's economic performance. As a residual interest holder, the Company has the obligation to absorb losses and the right to receive benefits which could potentially be significant to the VIE.

There were no finance receivable transfers under the U.S. Conduit Facility during the first quarter of 2023. During the first quarter of 2022, the Company transferred \$47.1 million of U.S. retail motorcycle finance receivables to an SPE which, in turn, issued \$41.3 million of debt under the U.S. Conduit Facility.

On-Balance Sheet Asset-Backed Canadian Commercial Paper Conduit Facility – The Company has a revolving facility agreement (Canadian Conduit) with a Canadian bank-sponsored asset-backed commercial paper conduit. Under the agreement, the Canadian Conduit is contractually committed, at the Company's option, to purchase eligible Canadian retail motorcycle finance receivables for proceeds up to C\$125.0 million. The transferred assets are restricted as collateral for the payment of the associated debt. The terms for this debt provide for interest on the outstanding principal based on prevailing market interest rates plus a specified margin. The Canadian Conduit also provides for a program fee and an unused commitment fee based on the unused portion of the total aggregate commitment of C\$125.0 million. There is no amortization schedule; however, the debt is reduced monthly as available collections on the related finance receivables are applied to outstanding principal. Upon expiration of the Canadian Conduit, any outstanding principal will continue to be reduced monthly through available collections. The expected remaining term of the related receivables is approximately 4 years.

Unless earlier terminated or extended by mutual agreement between the Company and the lenders, as of March 31, 2023, the Canadian Conduit has an expiration date of June 30, 2023.

The Company is not the primary beneficiary of the Canadian bank-sponsored, multi-seller conduit VIE; therefore, the Company does not consolidate the VIE. However, the Company treats the conduit facility as a secured borrowing as it maintains effective control over the assets transferred to the VIE and, therefore, does not meet the requirements for sale accounting.

As the Company participates in and does not consolidate the Canadian bank-sponsored, multi-seller conduit VIE, the maximum exposure to loss associated with this VIE, which would only be incurred in the unlikely event that all the finance receivables and underlying collateral have no residual value, was \$10.7 million at March 31, 2023. The maximum exposure is not an indication of the Company's expected loss exposure.

There were no finance receivable transfers under the Canadian Conduit Facility during the first quarter of 2023. During the first quarter of 2022, the Company transferred \$25.3 million of Canadian retail motorcycle finance receivables to the Canadian Conduit for proceeds of \$21.2 million.

11. Fair Value

The following tables present the fair values of certain of the Company's assets and liabilities within the fair value hierarchy as defined in Note 1.

Recurring Fair Value Measurements – The Company's assets and liabilities measured at fair value on a recurring basis were as follows (in thousands):

	March 31, 2023		
	Balance	Level 1	Level 2
Assets:			
Cash equivalents	\$ 1,030,696	\$ 858,000	\$ 172,696
Marketable securities	34,017	34,017	—
Derivative financial instruments	4,647	—	4,647
	<u>\$ 1,069,360</u>	<u>\$ 892,017</u>	<u>\$ 177,343</u>
Liabilities:			
Derivative financial instruments	\$ 50,218	\$ —	\$ 50,218
LiveWire warrants	7,320	4,800	2,520
	<u>\$ 57,538</u>	<u>\$ 4,800</u>	<u>\$ 52,738</u>

				December 31, 2022		
				Balance	Level 1	Level 2
Assets:						
Cash equivalents	\$	805,629	\$	594,000	\$	211,629
Marketable securities		33,071		33,071		—
Derivative financial instruments		8,737		—		8,737
	\$	847,437	\$	627,071	\$	220,366
Liabilities:						
Derivative financial instruments	\$	50,261	\$	—	\$	50,261
LiveWire warrants		8,388		5,500		2,888
	\$	58,649	\$	5,500	\$	53,149
				March 27, 2022		
				Balance	Level 1	Level 2
Assets:						
Cash equivalents	\$	968,395	\$	803,400	\$	164,995
Marketable securities		45,189		45,189		—
Derivative financial instruments		43,065		—		43,065
	\$	1,056,649	\$	848,589	\$	208,060
Liabilities:						
Derivative financial instruments	\$	4,298	\$	—	\$	4,298
LiveWire warrants		—	\$	—	\$	—
	\$	4,298	\$	—	\$	4,298

Nonrecurring Fair Value Measurements – Repossessed inventory is recorded at the lower of cost or net realizable value through a nonrecurring fair value measurement. Repossessed inventory was \$24.9 million, \$20.7 million and 17.9 million as of March 31, 2023, December 31, 2022 and March 27, 2022, respectively, for which the fair value adjustment was a decrease of \$6.8 million, \$7.5 million and \$0.6 million, respectively. Fair value is estimated using Level 2 inputs based on the recent market values of repossessed inventory.

Fair Value of Financial Instruments Measured at Cost – The carrying value of the Company's *Cash and cash equivalents* and *Restricted cash* approximates their fair values. The fair value and carrying value of the Company's remaining financial instruments that are measured at cost or amortized cost were as follows (in thousands):

	March 31, 2023		December 31, 2022		March 27, 2022	
	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value
Assets:						
Finance receivables, net	\$ 7,611,579	\$ 7,573,723	\$ 7,248,353	\$ 7,138,438	\$ 6,920,395	\$ 6,821,553
Liabilities:						
Deposits, net	\$ 391,238	\$ 369,311	\$ 339,981	\$ 317,375	\$ 359,995	\$ 348,083
Debt:						
Unsecured commercial paper	\$ 501,243	\$ 501,243	\$ 770,468	\$ 770,468	\$ 816,016	\$ 816,016
Asset-backed U.S. commercial paper conduit facility	\$ 372,816	\$ 372,816	\$ 425,794	\$ 425,794	\$ 269,534	\$ 269,534
Asset-backed Canadian commercial paper conduit facility	\$ 62,195	\$ 62,195	\$ 71,785	\$ 71,785	\$ 95,664	\$ 95,664
Asset-backed securitization debt	\$ 2,240,966	\$ 2,257,799	\$ 1,996,550	\$ 2,019,414	\$ 1,343,706	\$ 1,357,558
Medium-term notes	\$ 3,153,175	\$ 3,245,591	\$ 2,760,093	\$ 2,879,473	\$ 3,326,310	\$ 3,329,845
Senior notes	\$ 665,665	\$ 745,545	\$ 661,630	\$ 745,368	\$ 724,089	\$ 744,842

Finance Receivables, net – The carrying value of retail and wholesale finance receivables is amortized cost less an allowance for credit losses. The fair value of retail finance receivables is generally calculated by discounting future cash flows using an estimated discount rate that reflects current credit, interest rate and prepayment risks associated with similar types of instruments. Fair value is determined based on Level 3 inputs. The amortized cost basis of wholesale finance receivables approximates fair value because they are generally either short-term or have interest rates that adjust with changes in market interest rates.

Deposits, net – The carrying value of deposits is amortized cost, net of fees. The fair value of deposits is estimated based upon rates currently available for deposits with similar terms and maturities. Fair value is calculated using Level 3 inputs.

Debt – The carrying value of debt is generally cost, net of unamortized discounts and debt issuance costs. The fair value of unsecured commercial paper is calculated using Level 2 inputs and approximates carrying value due to its short maturity. The fair value of debt provided under the U.S. Conduit Facility and the Canadian Conduit Facility is calculated using Level 2 inputs and approximates carrying value since the interest rates charged under the facilities are tied directly to market rates and fluctuate as market rates change. The fair values of the medium-term notes and senior notes are estimated based upon rates currently available for debt with similar terms and remaining maturities (Level 2 inputs). The fair value of the fixed-rate debt related to on-balance sheet asset-backed securitization transactions is estimated based on pricing currently available for transactions with similar terms and maturities (Level 2 inputs). The fair value of the floating-rate debt related to on-balance sheet asset-backed securitization transactions is calculated using Level 2 inputs and approximates carrying value since the interest rates charged are tied directly to market rates and fluctuate as market rates change.

12. Product Warranty and Recall Campaigns

The Company currently provides a standard two-year limited warranty on all new motorcycles sold worldwide, except in certain markets, where the Company currently provides a standard three-year limited warranty. The Company also provides a five-year limited warranty on the battery for electric motorcycles. In addition, the Company provides a one-year warranty for parts and accessories. The warranty coverage for the retail customer generally begins when the product is sold to a retail customer. The Company accrues for future warranty claims at the time of shipment using an estimated cost based primarily on historical Company claim information.

Additionally, the Company has from time to time initiated certain voluntary recall campaigns. The Company records estimated recall costs when the liability is both probable and estimable. This generally occurs when the Company's management approves and commits to a recall. The warranty and recall liability is included in *Accrued liabilities* and *Other long-term liabilities* on the *Consolidated balance sheets*. Changes in the Company's warranty and recall liabilities were as follows (in thousands):

	March 31, 2023	Three months ended March 27, 2022
Balance, beginning of period	\$ 75,960	\$ 61,621
Warranties issued during the period	11,927	10,711
Settlements made during the period	(12,051)	(7,096)
Recalls and changes to pre-existing warranty liabilities	(1,168)	(141)
Balance, end of period	<u>\$ 74,668</u>	<u>\$ 65,095</u>

The liability for recall campaigns, included in the balance above, was \$26.6 million, \$29.7 million and \$16.7 million at March 31, 2023, December 31, 2022 and March 27, 2022, respectively.

13. Employee Benefit Plans

The Company has a qualified pension plan and postretirement healthcare benefit plans. The plans cover certain eligible employees and retirees of the HDMC segment. The Company also has unfunded supplemental employee retirement plan agreements (SERPA) with certain employees. Service cost is allocated among *Selling, administrative and engineering expense, Motorcycles and related products cost of goods sold* and *Inventories, net*. Amounts capitalized in inventory are not significant. Non-service cost components of net periodic benefit (income) cost are presented in *Other income, net*. Components of net periodic benefit (income) cost for the Company's defined benefit plans were as follows (in thousands):

	March 31, 2023	Three months ended March 27, 2022
Pension and SERPA Benefits:		
Service cost	\$ 1,294	\$ 4,763
Interest cost	20,476	15,472
Expected return on plan assets	(36,519)	(31,476)
Amortization of unrecognized:		
Prior service cost (credit)	188	(328)
Net (gain) loss	(181)	7,978
Settlement gain	(222)	(256)
Net periodic benefit income	<u>\$ (14,964)</u>	<u>\$ (3,847)</u>
Postretirement Healthcare Benefits:		
Service cost	\$ 797	\$ 1,161
Interest cost	2,772	1,904
Expected return on plan assets	(4,281)	(3,809)
Amortization of unrecognized:		
Prior service credit	(166)	(581)
Net (gain) loss	(1,097)	122
Net periodic benefit income	<u>\$ (1,975)</u>	<u>\$ (1,203)</u>

There are no required or planned voluntary qualified pension plan contributions for 2023. The Company expects it will continue to make ongoing benefit payments under the SERPA and postretirement healthcare plans.

14. Commitments and Contingencies

Litigation and Other Claims – The Company is subject to lawsuits and other claims related to product, commercial, employee, environmental and other matters. In determining costs to accrue related to these items, the Company carefully analyzes cases and considers the likelihood of adverse judgments or outcomes, as well as the potential range of possible loss. The Company accrues for matters when losses are both probable and estimable. Any amounts accrued for these matters are monitored on an ongoing basis and are updated based on new developments or new information as it becomes available for each matter. The Company also maintains insurance coverage for product liability exposures. The Company believes that its accruals and insurance coverage are adequate and there are no material exposures to loss in excess of amounts accrued and insured for losses related to these matters.

Supply Matter – During the second quarter of 2022, the Company received information from a third-party sub-supplier concerning a potential regulatory compliance matter relating to the sub-supplier's brake hose assemblies. As a result, out of an abundance of caution, the Company suspended all vehicle assembly and shipments (excluding LiveWire models, which did not utilize the brake hose assemblies at issue) for approximately two weeks during the second quarter of 2022. Since then, the Company has been working through the regulatory compliance matter with the sub-supplier, the Company's relevant Tier-1 suppliers, and the National Highway Traffic Safety Administration (NHTSA), which is the agency responsible for brake hose assembly compliance in the United States.

In connection with this matter, in July 2022, the sub-supplier notified NHTSA of a population of brake hose assemblies that were non-compliant with select NHTSA laboratory test standards. Based on that filing, in August 2022, the Company notified NHTSA of the corresponding population of Harley-Davidson motorcycles containing those brake hose assemblies. In October 2022, the sub-supplier amended its original notification, expanding its population of non-compliant brake hose assemblies to include units produced by the sub-supplier for use in Harley-Davidson motorcycles beginning as early as model year 2008. In December 2022, the Company amended its August notification, expanding the population to also include Harley-Davidson motorcycles that contained the sub-supplier's newly identified brake hose assemblies. On March 30, 2023, the sub-supplier again amended its notification to NHTSA, identifying additional compliance issues with its brake hose assemblies. The Company is currently evaluating the sub-supplier's latest amended notification and plans to again amend its notification to NHTSA to align with the sub-supplier's amended notification.

As permitted by federal law, both the sub-supplier and the Company have leveraged NHTSA's standard process to petition the agency for a determination that these compliance issues are inconsequential to motor vehicle safety (an "Inconsequentiality Determination"). If NHTSA makes the Inconsequentiality Determination requested, the Company will be exempt from conducting a field action or a recall of its motorcycles related to this matter.

In its inconsequentiality petition, the Company has presented (and plans to further present) NHTSA with: (1) extensive independent, third-party and internal testing demonstrating that the brake hose assemblies at issue are robust to extreme conditions - which far exceed maximum expected motorcycle lifetime demands - with no impact to brake performance; and (2) real-world field safety data showing no documented crashes or injuries attributable to the identified compliance issues. The Company believes its petition is closely comparable to inconsequentiality petitions which have resulted in successful Inconsequentiality Determinations in the past. The Company is also confident that its position that the compliance issues are inconsequential to motor vehicle safety is strong and, therefore, no field action or recall will be necessary.

Based on its expectation that NHTSA will make an Inconsequentiality Determination, the Company does not expect that this matter will result in material costs in the future and no such costs have been accrued to date. However, it is possible that a field action or recall could be required that could cause the Company to incur material costs. There are several variables and uncertainties associated with any potential field action or recall that are not yet known including, but not limited to, the population of brake hose assemblies and motorcycles, the specific field action or recall required, the complexity of the required repair, and the number of motorcycle owners that would participate. Based on the Company's information and assumptions, it estimates the cost of a potential field action or recall, if it were to occur, could range from approximately \$200 million to \$400 million. While the Company anticipates this estimated range to change based on information most recently provided by the sub-supplier, the Company cannot make a reasonable updated estimate at this time. The Company maintains its expectation that NHTSA will make an Inconsequentiality Determination and that this matter will not result in any material field action or recall costs. If material field action or recall costs were to result, the Company would seek full recovery of those amounts.

15. Accumulated Other Comprehensive Loss

Changes in *Accumulated other comprehensive loss* were as follows (in thousands):

	Three months ended March 31, 2023			
	Foreign currency translation adjustments	Derivative financial instruments	Pension and postretirement benefit plans	Total
Balance, beginning of period	\$ (80,271)	\$ (10,440)	\$ (251,218)	\$ (341,929)
Other comprehensive income (loss), before reclassifications	10,976	(1,240)	—	9,736
Income tax (expense) benefit	(855)	374	—	(481)
	10,121	(866)	—	9,255
Reclassifications:				
Net gain on derivative financial instruments	—	(27,465)	—	(27,465)
Prior service credits ^(a)	—	—	22	22
Actuarial gains ^(a)	—	—	(1,278)	(1,278)
Reclassifications before tax	—	(27,465)	(1,256)	(28,721)
Income tax benefit	—	6,449	294	6,743
	—	(21,016)	(962)	(21,978)
Other comprehensive (loss) income	10,121	(21,882)	(962)	(12,723)
Balance, end of period	\$ (70,150)	\$ (32,322)	\$ (252,180)	\$ (354,652)

	Three months ended March 27, 2022			
	Foreign currency translation adjustments	Derivative financial instruments	Pension and postretirement benefit plans	Total
Balance, beginning of period	\$ (44,401)	\$ (2,005)	\$ (194,513)	\$ (240,919)
Other comprehensive loss, before reclassifications	(3,804)	(7,230)	—	(11,034)
Income tax (expense) benefit	(317)	1,493	—	1,176
	(4,121)	(5,737)	—	(9,858)
Reclassifications:				
Net loss on derivative financial instruments	—	20,046	—	20,046
Prior service credits ^(a)	—	—	(909)	(909)
Actuarial losses ^(a)	—	—	8,100	8,100
Reclassifications before tax	—	20,046	7,191	27,237
Income tax expense	—	(4,381)	(1,689)	(6,070)
	—	15,665	5,502	21,167
Other comprehensive (loss) income	(4,121)	9,928	5,502	11,309
Balance, end of period	\$ (48,522)	\$ 7,923	\$ (189,011)	\$ (229,610)

(a) Amounts reclassified are included in the computation of net periodic benefit (income) cost, discussed further in Note 13.

16. Reportable Segments

The Company operates in three business segments: HDMC, LiveWire and HDFS. The Company's reportable segments are strategic business units that offer different products and services and are managed separately based on the fundamental differences in their operations. The Company changed its segments in the period ended December 31, 2022. The change has been retrospectively reflected in the periods presented below.

Selected segment information is set forth below (in thousands):

	March 31, 2023	Three months ended March 27, 2022
HDMC:		
Revenue	\$ 1,557,829	\$ 1,292,770
Gross profit	557,026	407,582
Selling, administrative and engineering expense	221,290	188,776
Restructuring benefit	—	(128)
Operating income	335,736	218,934
LiveWire:		
Revenue	7,762	10,401
Gross profit	1,264	53
Selling, administrative and engineering expense	25,811	16,112
Operating loss	(24,547)	(16,059)
HDFS:		
Financial services revenue	223,095	192,015
Financial services expense	164,675	105,658
Operating income	58,420	86,357
Operating income	\$ 369,609	\$ 289,232

Total assets for the HDMC, LiveWire and HDFS segments were \$3.1 billion, \$325.8 million and \$8.6 billion, respectively, as of March 31, 2023, \$3.3 billion, \$351.4 million and \$7.9 billion, respectively, as of December 31, 2022, and \$2.9 billion, \$75.7 million and \$7.9 billion, respectively, as of March 27, 2022.

17. Supplemental Consolidating Data

The supplemental consolidating data includes separate legal entity data for Harley-Davidson Financial Services, Inc. and its subsidiaries (Financial Services Entities) and all other Harley-Davidson, Inc. entities (Non-Financial Services Entities). This information is presented to highlight the separate financial statement impacts of the Company's Financial Services Entities and its Non-Financial Services Entities. The legal entity income statement information presented below differs from reportable segment income statement information due to the allocation of legal entity consolidating adjustments to income for reportable segments. Supplemental consolidating data is as follows (in thousands):

	Three months ended March 31, 2023			
	Non-Financial Services Entities	Financial Services Entities	Consolidating Adjustments	Consolidated
Revenue:				
Motorcycles and related products	\$ 1,567,709	\$ —	\$ (2,118)	\$ 1,565,591
Financial services	—	223,523	(428)	223,095
	1,567,709	223,523	(2,546)	1,788,686
Costs and expenses:				
Motorcycles and related products cost of goods sold	1,007,301	—	—	1,007,301
Financial services interest expense	—	73,549	—	73,549
Financial services provision for credit losses	—	52,364	—	52,364
Selling, administrative and engineering expense	247,695	40,880	(2,712)	285,863
	1,254,996	166,793	(2,712)	1,419,077
Operating income	312,713	56,730	166	369,609
Other income, net	20,096	—	—	20,096
Investment income	10,025	—	—	10,025
Interest expense	7,720	—	—	7,720
Income before income taxes	335,114	56,730	166	392,010
Provision for income taxes	78,729	11,452	—	90,181
Net income	256,385	45,278	166	301,829
Less: (income) loss attributable to noncontrolling interests	2,261	—	—	2,261
Net income attributable to Harley-Davidson, Inc.	\$ 258,646	\$ 45,278	\$ 166	\$ 304,090
	Three months ended March 27, 2022			
	Non-Financial Services Entities	Financial Services Entities	Consolidating Adjustments	Consolidated
Revenue:				
Motorcycles and related products	\$ 1,306,293	\$ —	\$ (3,122)	\$ 1,303,171
Financial services	—	192,390	(375)	192,015
	1,306,293	192,390	(3,497)	1,495,186
Costs and expenses:				
Motorcycles and related products cost of goods sold	895,536	—	—	895,536
Financial services interest expense	—	42,099	—	42,099
Financial services provision for credit losses	—	28,822	—	28,822
Selling, administrative and engineering expense	205,417	37,858	(3,650)	239,625
Restructuring benefit	(128)	—	—	(128)
	1,100,825	108,779	(3,650)	1,205,954
Operating income	205,468	83,611	153	289,232
Other income, net	11,030	—	—	11,030
Investment loss	(1,979)	—	—	(1,979)
Interest expense	7,711	—	—	7,711
Income before income taxes	206,808	83,611	153	290,572
Provision for income taxes	47,847	20,223	—	68,070
Net income	158,961	63,388	153	222,502
Less: (income) loss attributable to noncontrolling interests	—	—	—	—
Net income attributable to Harley-Davidson, Inc.	\$ 158,961	\$ 63,388	\$ 153	\$ 222,502

	March 31, 2023			
	Non-Financial Services Entities	Financial Services Entities	Consolidating Adjustments	Consolidated
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 876,248	\$ 684,952	\$ —	\$ 1,561,200
Accounts receivable, net	798,728	—	(465,195)	333,533
Finance receivables, net	—	2,245,628	—	2,245,628
Inventories, net	830,521	—	—	830,521
Restricted cash	—	164,965	—	164,965
Other current assets	110,559	50,727	(6,626)	154,660
	2,616,056	3,146,272	(471,821)	5,290,507
Finance receivables, net	—	5,328,095	—	5,328,095
Property, plant and equipment, net	667,474	22,577	—	690,051
Pension and postretirement assets	336,569	—	—	336,569
Goodwill	62,426	—	—	62,426
Deferred income taxes	58,175	83,725	(692)	141,208
Lease assets	37,868	5,672	—	43,540
Other long-term assets	217,124	28,650	(108,585)	137,189
	<u>\$ 3,995,692</u>	<u>\$ 8,614,991</u>	<u>\$ (581,098)</u>	<u>\$ 12,029,585</u>
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities:				
Accounts payable	\$ 375,395	\$ 494,214	\$ (465,195)	\$ 404,414
Accrued liabilities	488,814	142,192	(5,710)	625,296
Short-term deposits, net	—	144,854	—	144,854
Short-term debt	—	501,243	—	501,243
Current portion of long-term debt, net	—	1,408,777	—	1,408,777
	864,209	2,691,280	(470,905)	3,084,584
Long-term deposits, net	—	224,457	—	224,457
Long-term debt, net	745,545	4,529,624	—	5,275,169
Lease liabilities	21,160	5,514	—	26,674
Pension and postretirement liabilities	66,968	—	—	66,968
Deferred income taxes	28,180	2,852	—	31,032
Other long-term liabilities	155,487	67,626	1,739	224,852
Commitments and contingencies (Note 14)	—	—	—	—
Shareholders' equity	2,114,143	1,093,638	(111,932)	3,095,849
	<u>\$ 3,995,692</u>	<u>\$ 8,614,991</u>	<u>\$ (581,098)</u>	<u>\$ 12,029,585</u>

	March 27, 2022			
	Non-Financial Services Entities	Financial Services Entities	Consolidating Adjustments	Consolidated
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 678,616	\$ 715,115	\$ —	\$ 1,393,731
Accounts receivable, net	601,148	—	(346,862)	254,286
Finance receivables, net	—	1,699,642	—	1,699,642
Inventories, net	714,259	—	—	714,259
Restricted cash	—	142,812	—	142,812
Other current assets	149,955	61,455	(28,883)	182,527
	<u>2,143,978</u>	<u>2,619,024</u>	<u>(375,745)</u>	<u>4,387,257</u>
Finance receivables, net	—	5,121,911	—	5,121,911
Property, plant and equipment, net	636,216	27,591	—	663,807
Pension and postretirement assets	399,029	—	—	399,029
Goodwill	62,607	—	—	62,607
Deferred income taxes	—	75,185	(3,259)	71,926
Lease assets	38,126	6,947	—	45,073
Other long-term assets	210,157	37,595	(104,722)	143,030
	<u>\$ 3,490,113</u>	<u>\$ 7,888,253</u>	<u>\$ (483,726)</u>	<u>\$ 10,894,640</u>
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities:				
Accounts payable	\$ 434,731	\$ 389,048	\$ (346,862)	\$ 476,917
Accrued liabilities	495,921	129,581	(27,578)	597,924
Short-term deposits, net	—	65,049	—	65,049
Short-term debt	—	816,016	—	816,016
Current portion of long-term debt, net	—	1,327,357	—	1,327,357
	<u>930,652</u>	<u>2,727,051</u>	<u>(374,440)</u>	<u>3,283,263</u>
Long-term deposits, net	—	283,034	—	283,034
Long-term debt, net	744,842	3,725,244	—	4,470,086
Lease liabilities	20,544	7,089	—	27,633
Pension and postretirement liabilities	93,792	—	—	93,792
Deferred income taxes	10,478	1,848	(2,748)	9,578
Other long-term liabilities	165,990	50,190	1,973	218,153
Commitments and contingencies (Note 14)	—	—	—	—
Shareholders' equity	1,523,815	1,093,797	(108,511)	2,509,101
	<u>\$ 3,490,113</u>	<u>\$ 7,888,253</u>	<u>\$ (483,726)</u>	<u>\$ 10,894,640</u>

	Three months ended March 31, 2023			
	Non-Financial Services Entities	Financial Services Entities	Consolidating Adjustments	Consolidated
Cash flows from operating activities:				
Net income	\$ 256,385	\$ 45,278	\$ 166	\$ 301,829
Adjustments to reconcile Net income to Net cash provided by operating activities:				
Depreciation and amortization	32,120	2,232	—	34,352
Amortization of deferred loan origination costs	—	21,858	—	21,858
Amortization of financing origination fees	177	2,834	—	3,011
Provision for long-term employee benefits	(16,939)	—	—	(16,939)
Employee benefit plan contributions and payments	(1,739)	—	—	(1,739)
Stock compensation expense	22,494	1,134	—	23,628
Net change in wholesale finance receivables related to sales	—	—	(487,314)	(487,314)
Provision for credit losses	—	52,364	—	52,364
Deferred income taxes	4,261	1,717	(330)	5,648
Other, net	(18,087)	(3,418)	(166)	(21,671)
Changes in current assets and liabilities:				
Accounts receivable, net	(426,221)	—	348,228	(77,993)
Finance receivables – accrued interest and other	—	2,252	—	2,252
Inventories, net	123,047	—	—	123,047
Accounts payable and accrued liabilities	14,610	379,094	(349,917)	43,787
Other current assets	25,342	13,131	2,084	40,557
	(240,935)	473,198	(487,415)	(255,152)
Net cash provided by operating activities	15,450	518,476	(487,249)	46,677
Cash flows from investing activities:				
Capital expenditures	(44,894)	(220)	—	(45,114)
Origination of finance receivables	—	(2,100,019)	1,182,874	(917,145)
Collections on finance receivables	—	1,586,477	(695,625)	890,852
Other investing activities	821	—	—	821
Net cash used by investing activities	(44,073)	(513,762)	487,249	(70,586)

	Three months ended March 31, 2023			
	Non-Financial Services Entities	Financial Services Entities	Consolidating Adjustments	Consolidated
Cash flows from financing activities:				
Proceeds from issuance of medium-term notes	—	693,276	—	693,276
Repayments of medium-term notes	—	(350,000)	—	(350,000)
Proceeds from securitization debt	—	547,706	—	547,706
Repayments of securitization debt	—	(310,640)	—	(310,640)
Repayments of asset-backed commercial paper	—	(62,634)	—	(62,634)
Net decrease in unsecured commercial paper	—	(270,119)	—	(270,119)
Net increase in deposits	—	51,822	—	51,822
Dividends paid	(24,123)	—	—	(24,123)
Repurchase of common stock	(96,767)	—	—	(96,767)
Other financing activities	69	—	—	69
Net cash (used) provided by financing activities	(120,821)	299,411	—	178,590
Effect of exchange rate changes on cash, cash equivalents and restricted cash	3,894	(74)	—	3,820
Net (decrease) increase in cash, cash equivalents and restricted cash	<u>\$ (145,550)</u>	<u>\$ 304,051</u>	<u>\$ —</u>	<u>\$ 158,501</u>
Cash, cash equivalents and restricted cash:				
Cash, cash equivalents and restricted cash, beginning of period	\$ 1,021,798	\$ 557,379	\$ —	\$ 1,579,177
Net (decrease) increase in cash, cash equivalents and restricted cash	(145,550)	304,051	—	158,501
Cash, cash equivalents and restricted cash, end of period	<u>\$ 876,248</u>	<u>\$ 861,430</u>	<u>\$ —</u>	<u>\$ 1,737,678</u>

	Three months ended March 27, 2022			
	Non-Financial Services Entities	Financial Services Entities	Consolidating Adjustments	Consolidated
Cash flows from operating activities:				
Net income	\$ 158,961	\$ 63,388	\$ 153	\$ 222,502
Adjustments to reconcile Net income to Net cash provided by operating activities:				
Depreciation and amortization	37,106	2,152	—	39,258
Amortization of deferred loan origination costs	—	22,995	—	22,995
Amortization of financing origination fees	174	3,527	—	3,701
Provision for long-term employee benefits	(5,050)	—	—	(5,050)
Employee benefit plan contributions and payments	(2,143)	—	—	(2,143)
Stock compensation expense	8,233	670	—	8,903
Net change in wholesale finance receivables related to sales	—	—	(205,727)	(205,727)
Provision for credit losses	—	28,822	—	28,822
Deferred income taxes	6,176	665	(534)	6,307
Other, net	(5,322)	67	(153)	(5,408)
Changes in current assets and liabilities:				
Accounts receivable, net	(319,329)	—	244,336	(74,993)
Finance receivables – accrued interest and other	—	3,115	—	3,115
Inventories, net	(2,630)	—	—	(2,630)
Accounts payable and accrued liabilities	86,546	289,876	(269,453)	106,969
Other current assets	(47,418)	14,467	25,651	(7,300)
	(243,657)	366,356	(205,880)	(83,181)
Net cash (used) provided by operating activities	(84,696)	429,744	(205,727)	139,321
Cash flows from investing activities:				
Capital expenditures	(27,149)	(850)	—	(27,999)
Origination of finance receivables	—	(2,023,861)	965,400	(1,058,461)
Collections on finance receivables	—	1,724,863	(759,673)	965,190
Other investing activities	135	—	—	135
Net cash used by investing activities	(27,014)	(299,848)	205,727	(121,135)

	Three months ended March 27, 2022			
	Non-Financial Services Entities	Financial Services Entities	Consolidating Adjustments	Consolidated
Cash flows from financing activities:				
Proceeds from issuance of medium-term notes	—	495,785	—	495,785
Repayments of medium-term notes	—	(550,000)	—	(550,000)
Repayments of securitization debt	—	(271,499)	—	(271,499)
Borrowings of asset-backed commercial paper	—	62,455	—	62,455
Repayments of asset-backed commercial paper	—	(56,634)	—	(56,634)
Net decrease in unsecured commercial paper	—	64,521	—	64,521
Net increase in deposits	—	57,660	—	57,660
Dividends paid	(24,056)	—	—	(24,056)
Repurchase of common stock	(261,737)	—	—	(261,737)
Net cash used by financing activities	(285,793)	(197,712)	—	(483,505)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(2,086)	343	—	(1,743)
Net decrease in cash, cash equivalents and restricted cash	<u>\$ (399,589)</u>	<u>\$ (67,473)</u>	<u>\$ —</u>	<u>\$ (467,062)</u>
Cash, cash equivalents and restricted cash:				
Cash, cash equivalents and restricted cash, beginning of period	\$ 1,078,205	\$ 947,014	\$ —	\$ 2,025,219
Net decrease in cash, cash equivalents and restricted cash	(399,589)	(67,473)	—	(467,062)
Cash, cash equivalents and restricted cash, end of period	<u>\$ 678,616</u>	<u>\$ 879,541</u>	<u>\$ —</u>	<u>\$ 1,558,157</u>

18. Subsequent Event

In April 2023, the Company issued €700.0 million of medium-term notes that mature in April 2026 and have an annual interest rate of 6.36%.

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

Unless the context otherwise requires, all references to the "Company" include Harley-Davidson, Inc. and all its subsidiaries. Harley-Davidson, Inc. operates in three segments: Harley-Davidson Motor Company (HDMC), LiveWire and Harley-Davidson Financial Services (HDFS).

The "% Change" figures included in the Results of Operations sections were calculated using unrounded dollar amounts and may differ from calculations using the rounded dollar amounts presented. Certain "% Change" deemed not meaningful (NM) have been excluded.

(1) Note Regarding Forward-Looking Statements

The Company intends that certain matters discussed in this report are "forward-looking statements" intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements can generally be identified as such by reference to this footnote or because the context of the statement will include words such as the Company "believes," "anticipates," "expects," "plans," "may," "will," "estimates," "targets," "intends," "forecasts," "is on-track," "sees," "feels," or words of similar meaning. Similarly, statements that describe or refer to future expectations, future plans, strategies, objectives, outlooks, targets, guidance, commitments or goals are also forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially, unfavorably or favorably, from those anticipated as of the date of this report. Certain of such risks and uncertainties are described in close proximity to such statements or elsewhere in this report, including under the caption "Cautionary Statements" in this Item 2, as well as in *Item 1A. Risk Factors* of the Company's Annual Report on Form 10-K for the year ended December 31, 2022. Shareholders, potential investors, and other readers are urged to consider these factors in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements included in the "Key Factors Impacting the Company" and the "Guidance" sections in this Item 2 are only made as of April 27, 2023 and the remaining forward-looking statements in this report are made as of the date of the filing of this report (May 10, 2023), and the Company disclaims any obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances.

Overview⁽¹⁾

Net income attributable to Harley-Davidson, Inc. was \$304.1 million, or \$2.04 per diluted share, in the first quarter of 2023 compared to \$222.5 million, or \$1.45 per diluted share, in the first quarter of 2022.

In the first quarter of 2023, HDMC segment operating income was \$335.7 million, up \$116.8 million from the first quarter of 2022. The increase in operating income from the HDMC segment for the first quarter of 2023 was driven primarily by higher motorcycle shipments, price increases and favorable product mix partially offset by the impact of unfavorable foreign currency exchange rates and increased operating expenses compared to the same quarter last year. Operating loss from the LiveWire segment in the first quarter of 2023 was \$24.5 million compared to an operating loss of \$16.1 million in the prior year quarter due primarily to lower electric motorcycle and electric balance bike shipments and increased operating expenses. Operating income from the HDFS segment in the first quarter of 2023 was \$58.4 million, down \$27.9 million compared to the prior year quarter due primarily to higher interest expense and an increase in the provision for credit losses.

Retail sales of new Harley-Davidson motorcycles in the first quarter of 2023 were down 12.4% compared to the first quarter of 2022, including a decline of 17.3% and 3.3% in U.S. and international markets, respectively. Refer to the Harley-Davidson Motorcycles Retail Sales and Registration Data section for further discussion of retail sales results.

Key Factors Impacting the Company⁽¹⁾

Supply Chain Challenges – Starting in 2020, the Company began to experience disruption and increasing costs related to global supply chain challenges, including global semiconductor chip shortages. During the second half of 2022, these cost increases began to moderate primarily through the normalization of logistics inflation and to a lesser extent raw materials inflation which slowed as metal markets improved. In addition, during the second half of 2022, the Company began to reduce its reliance on expedited shipping. During the first quarter of 2023, the Company continued to experience a moderate level of cost inflation, primarily related to labor and warehousing costs, partially offset by deflation related to freight and raw materials. The Company also continued to reduce its use of expedited modes of freight during the first quarter of 2023. The Company continues to expect overall supply-chain cost inflation to moderate for the 2023 full year, as compared to 2022.

Supply Matter – During the second quarter of 2022, the Company received information from a third-party sub-supplier concerning a potential regulatory compliance matter relating to the sub-supplier’s brake hose assemblies. As a result, out of an abundance of caution, the Company suspended all vehicle assembly and shipments (excluding LiveWire models, which did not utilize the brake hose assemblies at issue) for approximately two weeks during the second quarter of 2022. Since then, the Company has been working through the regulatory compliance matter with the sub-supplier, the Company’s relevant Tier-1 suppliers, and the National Highway Traffic Safety Administration (NHTSA), which is the agency responsible for brake hose assembly compliance in the United States.

In connection with this matter, in July 2022, the sub-supplier notified NHTSA of a population of brake hose assemblies that were non-compliant with select NHTSA laboratory test standards. Based on that filing, in August 2022, the Company notified NHTSA of the corresponding population of Harley-Davidson motorcycles containing those brake hose assemblies. In October 2022, the sub-supplier amended its original notification, expanding its population of non-compliant brake hose assemblies to include units produced by the sub-supplier for use in Harley-Davidson motorcycles beginning as early as model year 2008. In December 2022, the Company amended its August notification, expanding the population to also include Harley-Davidson motorcycles that contained the sub-supplier’s newly identified brake hose assemblies. On March 30, 2023, the sub-supplier again amended its notification to NHTSA, identifying additional compliance issues with its brake hose assemblies. The Company is currently evaluating the sub-supplier’s latest amended notification and plans to again amend its notification to NHTSA to align with the sub-supplier’s amended notification.

As permitted by federal law, both the sub-supplier and the Company have leveraged NHTSA’s standard process to petition the agency for a determination that these compliance issues are inconsequential to motor vehicle safety (an “Inconsequentiality Determination”). If NHTSA makes the Inconsequentiality Determination requested, the Company will be exempt from conducting a field action or a recall of its motorcycles related to this matter.

In its inconsequentiality petition, the Company has presented (and plans to further present) NHTSA with: (1) extensive independent, third-party and internal testing demonstrating that the brake hose assemblies at issue are robust to extreme conditions - which far exceed maximum expected motorcycle lifetime demands - with no impact to brake performance; and (2) real-world field safety data showing no documented crashes or injuries attributable to the identified compliance issues. The Company believes its petition is closely comparable to inconsequentiality petitions which have resulted in successful Inconsequentiality Determinations in the past. The Company is also confident that its position that the compliance issues are inconsequential to motor vehicle safety is strong and, therefore, no field action or recall will be necessary.

Based on its expectation that NHTSA will make an Inconsequentiality Determination, the Company does not expect that this matter will result in material costs in the future and no such costs have been accrued to date. However, it is possible that a field action or recall could be required that could cause the Company to incur material costs. There are several variables and uncertainties associated with any potential field action or recall that are not yet known including, but not limited to, the population of brake hose assemblies and motorcycles, the specific field action or recall required, the complexity of the required repair, and the number of motorcycle owners that would participate. Based on the Company’s information and assumptions, it estimates the cost of a potential field action or recall, if it were to occur, could range from approximately \$200 million to \$400 million. While the Company anticipates this estimated range to change based on information most recently provided by the sub-supplier, the Company cannot make a reasonable updated estimate at this time. The Company maintains its expectation that NHTSA will make an Inconsequentiality Determination and that this matter will not result in any material field action or recall costs. If material field action or recall costs were to result, the Company would seek full recovery of those amounts.

Interest Rates - Interest rates increased significantly during 2022 and continued to increase in 2023 as central banks attempted to reduce inflation. Rising interest rates may adversely impact HDFS's interest income margin to the extent HDFS is unable to offset a higher cost of funds with increased interest rates on products it offers to its customers. Additionally, higher interest rates may make the Company's motorcycles less affordable, adversely impact product mix or impact customers' ability to obtain financing to purchase the Company's motorcycles.

Suspension of Additional European Union Tariffs – In April 2021, the Company received notification from the Economic Ministry of Belgium that, following a request from the European Union (EU), the Company would be subject to revocation of the Binding Origin Information (BOI) decisions that allowed it to supply its EU markets with certain motorcycles produced at its Thailand manufacturing facility at tariff rates of 6%. As a result of the revocation, all non-electric motorcycles that Harley-Davidson imported into the EU, regardless of origin, were subject to a total tariff rate of 31% from April 19, 2021 through the end of 2021. On October 30, 2021, the U.S. and EU announced an agreement related to the Section 232 tariffs on steel and aluminum that were implemented in 2018 by the U.S. and the subsequent rebalancing tariff measures taken by the EU. This agreement suspended the additional tariffs initially imposed by the EU on the Company's motorcycles, reducing the total EU tariff rate on the Company's motorcycles from 31% to 6%, effective January 1, 2022. The lower 6% tariff rate applies to all motorcycles imported by the Company into the EU, regardless of origin. Under the agreement between the U.S. and the EU, the lower tariff rate will remain in effect until December 31, 2023. The U.S. and EU will monitor and review the operation of the agreement, seeking to conclude the negotiations on steel and aluminum tariffs by December 31, 2023. These negotiations are ongoing, and there are no assurances the U.S. and EU will reach a resolution that concludes the trade conflict on steel and aluminum tariffs beyond December 31, 2023.

To date, the Company continues to pursue its appeals of the revocation of the BOI decisions and the denial of its application for temporary extended reliance on the 6% tariff rate (for motorcycles produced in Thailand and ordered prior to April 19, 2021), although there is no assurance that these appeals will continue or be successful.

COVID-19 Pandemic – The Company continues to monitor the impact of the COVID-19 pandemic and government actions and measures taken to prevent its spread. The full impact of the COVID-19 pandemic on future results depends on future developments, such as the ultimate duration and scope of the pandemic including associated variants, the success of vaccination programs, the consequences of vaccine requirements, and its impact on the Company's employees, customers, dealers, distributors, and suppliers. Future impacts and disruptions could have an adverse effect on production, supply chains, distribution, and demand for the Company's products.

Guidance⁽¹⁾

On April 27, 2023, the Company shared the following guidance for 2023:

The Company expects HDMC revenue growth of between 4% and 7% in 2023 compared to 2022. The Company expects revenue to be positively impacted by modest unit growth, beneficial product mix as the Company focuses on its most profitable products, and pricing actions intended to offset a moderated inflationary outlook. Furthermore, the Company expects revenue growth from parts and accessories and apparel and licensing as it executes The Hardwire strategy.

The Company expects HDMC operating margin as a percent of revenue to be in the range of 14.1% to 14.6% in 2023. The Company believes the anticipated positive impact of pricing and supply chain productivity will offset cost inflation and unfavorability related to foreign currency exchange rates.

Considering the impact of the suspension of production and shipments for approximately two weeks during the second quarter of 2022, the Company expects the year-over-year HDMC revenue growth rate in the first half of 2023 to be in the high teens. In addition, the Company expects an HDMC operating income margin percent in the high teens for the first half of 2023. In the second half of 2023, the Company expects HDMC revenue and operating income to be down compared to 2022 based on more normalized production and seasonality as compared to 2022. For HDFS, the Company expects the forecasted year-over-year operating income decline to moderate in the second half of the year compared to the first half given the historical seasonality of credit losses and the impact of borrowing cost increases experienced by HDFS in the second half of 2022.

The Company expects to sell 750 to 2,000 LiveWire motorcycle units and a LiveWire operating loss of \$115 million to \$125 million in 2023. The LiveWire expectations assume a launch of LiveWire's Del Mar electric motorcycle in the third quarter of 2023, consistent with the Company's current planned launch timeline.

The Company expects HDFS operating income to decline 20% to 25% in 2023 compared to 2022. This decline is largely a result of the higher interest rate environment causing the Company's borrowing costs to increase combined with an increase in credit losses. The Company recognizes there is risk that the current economic outlook and its expectation for credit losses

could deteriorate during the remainder of the year. HDFS has several actions underway to mitigate the impact of losses, including increased investment behind collections and stronger repossession efforts.

The Company has a cost productivity target to eliminate \$400 million of incremental costs by 2025. The Company reduced costs by approximately \$50 million during 2022 and expects to reduce an additional \$140 million in 2023 through production efficiency and reduced waste which is reflected in the Company guidance above.

The Company expects capital investments in 2023 of between \$225 and \$250 million. The Company plans to continue to invest behind product development and capability enhancement in support of The Hardwire strategy.

The Company's capital allocation priorities are to fund growth through The Hardwire initiatives, to pay dividends, and to execute discretionary share repurchases.

**Results of Operations for the Three Months Ended March 31, 2023
Compared to the Three Months Ended March 27, 2022**

Consolidated Results

(in thousands, except earnings per share)	Three months ended		Increase (Decrease)
	March 31, 2023	March 27, 2022	
Operating income - HDMC	\$ 335,736	\$ 218,934	\$ 116,802
Operating loss - LiveWire	(24,547)	(16,059)	(8,488)
Operating income - HDFS	58,420	86,357	(27,937)
Operating income	369,609	289,232	80,377
Other income, net	20,096	11,030	9,066
Investment income (loss)	10,025	(1,979)	12,004
Interest expense	7,720	7,711	9
Income before income taxes	392,010	290,572	101,438
Income tax provision	90,181	68,070	22,111
Net income	301,829	222,502	79,327
Less: Loss attributable to noncontrolling interests	2,261	—	2,261
Net income attributable to Harley-Davidson, Inc.	\$ 304,090	\$ 222,502	\$ 81,588
Diluted earnings per share	\$ 2.04	\$ 1.45	\$ 0.59

The Company reported operating income of \$369.6 million in the first quarter of 2023 compared to \$289.2 million in the same period last year. The HDMC segment reported operating income of \$335.7 million in the first quarter of 2023, an increase of \$116.8 million compared to the first quarter of 2022. Operating loss from the LiveWire segment increased \$8.5 million compared to the first quarter of 2022. Operating income from the HDFS segment decreased \$27.9 million compared to the first quarter of 2022. Refer to the HDMC Segment, LiveWire Segment and HDFS Segment sections for a more detailed discussion of the factors affecting operating results.

Other income in the first quarter of 2023 was higher than in the first quarter of 2022, impacted by higher non-operating income related to the Company's defined benefit plans.

The Company's effective income tax rate for the first quarter of 2023 was 23.0% compared to 23.4% for the first quarter of 2022.

Diluted earnings per share was \$2.04 in the first quarter of 2023, up 40.7% from the same period last year. Diluted weighted average shares outstanding decreased from 153.9 million in the first quarter of 2022 to 148.9 million in the first quarter of 2023, driven by the Company's discretionary repurchases of common stock. Refer to Liquidity and Capital Resources for additional information concerning the Company's share repurchase activity.

Harley-Davidson Motorcycles Retail Sales and Registration Data

Harley-Davidson Motorcycle Retail Sales^(a)

Retail unit sales of new Harley-Davidson motorcycles were as follows:

	Three months ended			
	March 31, 2023	March 31, 2022	(Decrease) Increase	% Change
United States	24,277	29,344	(5,067)	(17.3)%
Canada	1,744	1,869	(125)	(6.7)
North America	26,021	31,213	(5,192)	(16.6)
Europe/Middle East/Africa (EMEA)	5,917	6,290	(373)	(5.9)
Asia Pacific	6,881	6,699	182	2.7
Latin America	606	809	(203)	(25.1)
	39,425	45,011	(5,586)	(12.4)%

(a) Data source for retail sales figures shown above is new sales warranty and registration information provided by dealers and compiled by the Company. The Company must rely on information that its dealers supply concerning new retail sales, and the Company does not regularly verify the information that its dealers supply. This information is subject to revision.

Worldwide retail sales of new Harley-Davidson motorcycles were down 12.4% during the first quarter of 2023 compared to the same period last year, driven primarily by a decline in North America. The Company believes retail sales in North America were adversely impacted during the first quarter of 2023 by the timing of new model year shipments, which includes rollouts of the Company's anniversary models on a staggered basis and the introduction of other new products subsequent to the first quarter, as well as shifting macro-economic conditions.

Worldwide average retail inventory of new motorcycles was up 70% and 24% during the first quarter of 2023 compared to the first quarter of 2022 and the fourth quarter of 2022, respectively. Improved production in the first quarter of this year and in the second half of 2022 has allowed for improved product availability in the dealer network ahead of the riding season. Average retail inventory is calculated based on a four-point average including inventory on the first day of the quarter and each subsequent month-end within the quarter.

In the U.S., new motorcycle transaction prices on average as a percent of Manufacturer's Suggested Retail Prices were within the Company's targeted range of plus or minus 2% during the first quarter of 2023. As retail inventory levels of new motorcycles improved, the Company observed used motorcycle prices relative to new were lower on average in the first quarter of 2023 compared to the first quarter of 2022. The Company believes used prices remain healthy relative to historical levels.

Motorcycle Registration Data and Market Share – 601+cc^(a)

The Company's U.S. market share of new 601+cc motorcycles decreased during the first three months of 2023 compared to the first three months of 2022 on lower retail sales relative to the industry. The Company's European market share of new 601+cc motorcycles for the first three months of 2023 increased compared to the first three months of 2022. Industry retail registration data for new motorcycles and the Company's market share was as follows:

	Three months ended			
	March 31, 2023	March 31, 2022	(Decrease) Increase	% Change
Industry new motorcycle registrations:				
United States ^(b)	59,262	62,207	(2,945)	(4.7)%
Europe ^(c)	121,574	107,786	13,788	12.8 %

Harley-Davidson market share data:

United States ^(b)	39.5 %	47.1 %	(7.6) pts.	
Europe ^(c)	5.0 %	4.9 %	0.1 pts.	

(a) Data includes on-road models with internal combustion engines with displacements greater than 600cc's and electric motorcycles with kilowatt (kW) peak power equivalents greater than 600cc's (601+cc). On-road 601+cc models include dual purpose models, three-wheeled motorcycles and autocycles. Registration data for Harley-Davidson Street® 500 motorcycles is not included in this table.

(b) United States industry data is derived from information provided by Motorcycle Industry Council. This third-party data is subject to revision and update.

(c) Europe data includes Austria, Belgium, Denmark, Finland, France, Germany, Italy, Luxembourg, Netherlands, Norway, Spain, Sweden, Switzerland, and the United Kingdom. Industry data is derived from information provided by Management Services Helwig Schmitt GmbH. This third-party data is subject to revision and update.

HDMC Segment
Harley-Davidson Motorcycle Unit Shipments

Motorcycle unit shipments were as follows:

	Three months ended					
	March 31, 2023		March 27, 2022		Unit Increase (Decrease)	Unit % Change
	Units	Mix %	Units	Mix %		
U.S. motorcycle shipments	42,588	68.4 %	35,819	65.4 %	6,769	18.9 %
Worldwide motorcycle shipments:						
Grand American Touring ^(a)	32,219	51.8 %	26,012	47.5 %	6,207	23.9 %
Cruiser	21,258	34.1 %	15,563	28.5 %	5,695	36.6
Sportster® / Street	5,544	8.9 %	9,654	17.6 %	(4,110)	(42.6)
Lightweight	1,041	1.7 %	—	— %	1,041	100.0
Adventure Touring	2,175	3.5 %	3,517	6.4 %	(1,342)	(38.2)
	<u>62,237</u>	<u>100.0 %</u>	<u>54,746</u>	<u>100.0 %</u>	<u>7,491</u>	<u>13.7 %</u>

(a) Includes CVO™ and Trike

The Company shipped 62,237 motorcycles worldwide during the first quarter of 2023, which was 13.7% higher than the first quarter of 2022. The Company's shipments to dealers were up compared to the same quarter last year on higher production as the Company launched its new 2023 model year motorcycles ahead of the riding season. The Company also began shipping Lightweight motorcycles to dealers in China during the first quarter of 2023.

During the first quarter of 2023, the Company shipped a higher mix of Grand American Touring and Cruiser motorcycles as a percent of total shipments and a lower mix of Sportster / Street and Adventure Touring motorcycles.

Segment Results

Condensed statements of operations for the HDMC segment were as follows (dollars in thousands):

	Three months ended		Increase (Decrease)	% Change
	March 31, 2023	March 27, 2022		
Revenue:				
Motorcycles	\$ 1,302,378	\$ 1,057,005	\$ 245,373	23.2 %
Parts and accessories	167,671	165,320	2,351	1.4
Apparel	71,391	51,404	19,987	38.9
Licensing	6,210	6,497	(287)	(4.4)
Other	10,179	12,544	(2,365)	(18.9)
	1,557,829	1,292,770	265,059	20.5
Cost of goods sold	1,000,803	885,188	115,615	13.1
Gross profit	557,026	407,582	149,444	36.7
Operating expenses:				
Selling & administrative expense	197,439	163,014	34,425	21.1
Engineering expense	23,851	25,762	(1,911)	(7.4)
Restructuring benefit	—	(128)	128	(100.0)
	221,290	188,648	32,642	17.3
Operating income	\$ 335,736	\$ 218,934	\$ 116,802	53.4 %
Operating margin	21.6 %	16.9 %	4.6 pts.	

The estimated impact of significant factors affecting the comparability of net revenue, cost of goods sold and gross profit from the first quarter of 2022 to the first quarter of 2023 were as follows (in millions):

	Net Revenue	Cost of Goods Sold	Gross Profit
Three months ended March 27, 2022	\$ 1,292.8	\$ 885.2	\$ 407.6
Volume	153.2	109.0	44.2
Price and sales incentives	103.8	—	103.8
Foreign currency exchange rates and hedging	(28.6)	(6.1)	(22.5)
Shipment mix	36.6	7.8	28.8
Raw material prices	—	(6.8)	6.8
Manufacturing and other costs	—	11.7	(11.7)
	265.0	115.6	149.4
Three months ended March 31, 2023	\$ 1,557.8	\$ 1,000.8	\$ 557.0

Factors affecting the comparability of net revenue, cost of goods sold and gross profit from the first quarter of 2022 to the first quarter of 2023 were as follows:

- The increase in volume was primarily due to higher motorcycle shipments and higher apparel sales.
- Revenue benefited from higher prices on new model year 2023 motorcycles.
- Revenue and gross profit were negatively impacted by weaker foreign currency exchange rates relative to the U.S. dollar, partially offset by favorable net foreign currency gains associated with hedging recorded in cost of goods sold.
- Changes in the shipment mix had a favorable impact on gross profit.
- Raw material costs benefited from continued moderation in the rate of inflation related primarily to metals.
- Manufacturing and other costs increased due to supply chain cost inflation and other startup costs experienced in the quarter, partially offset by productivity savings including reduced reliance on expedited freight.

Operating expenses were higher in the first quarter of 2023 compared to the same period last year related to Hardwire initiatives and employee-related costs.

LiveWire Segment

Segment Results

Condensed statements of operations for the LiveWire segment were as follows (in thousands, except unit shipments):

	Three months ended		Increase (Decrease)	% Change
	March 31, 2023	March 27, 2022		
Revenue	\$ 7,762	\$ 10,401	\$ (2,639)	(25.4)%
Cost of goods sold	6,498	10,348	(3,850)	(37.2)%
Gross profit	1,264	53	1,211	2,284.9
Selling, administrative and engineering expense	25,811	16,112	9,699	60.2
Operating loss	\$ (24,547)	\$ (16,059)	\$ (8,488)	52.9 %
LiveWire motorcycle unit shipments	63	97	(34)	(35.1)

During the first quarter of 2023, revenue decreased by \$2.6 million, or 25.4%, compared to the first quarter of 2022. The decrease was primarily due to lower revenue driven by lower volumes on electric motorcycles and electric balance bikes. Cost of sales decreased by \$3.9 million, or 37.2%, during the first quarter of 2023 compared to the first quarter of 2022 on lower volumes.

During the first quarter of 2023, selling, administrative and engineering expense increased \$9.7 million, or 60.2%, compared to the first quarter of 2022 driven by higher product development costs as well as higher costs associated with standing up the new organization.

HDFS Segment

Segment Results

Condensed statements of operations for the HDFS segment were as follows (in thousands):

	Three months ended		Increase (Decrease)	% Change
	March 31, 2023	March 27, 2022		
Revenue:				
Interest income	\$ 182,270	\$ 161,734	\$ 20,536	12.7 %
Other income	40,825	30,281	10,544	34.8
	223,095	192,015	31,080	16.2
Expenses:				
Interest expense	73,549	42,099	31,450	74.7
Provision for credit losses	52,364	28,822	23,542	81.7
Operating expense	38,762	34,737	4,025	11.6
	164,675	105,658	59,017	55.9
Operating income	\$ 58,420	\$ 86,357	\$ (27,937)	(32.4)%

Interest income was higher for the first three months of 2023 compared to the same period last year, primarily due to higher average outstanding finance receivables at a higher average yield. Other income increased largely driven by higher investment income and insurance revenue. Interest expense increased due to higher average outstanding debt at a higher average interest rate.

The provision for credit losses increased \$23.5 million compared to the first quarter of 2022, primarily driven by higher retail delinquencies and credit losses, which returned to pre-COVID-19 pandemic levels at the end of 2022. The Company experienced higher retail delinquencies and credit losses as consumers faced increased pressure from higher debt levels and the impacts of inflation, both more generally as well as through higher payments on larger retail motorcycle loans. Further, the Company continues to experience challenges with motorcycle repossessions as the repossession industry contracted.

during the COVID-19 pandemic and has yet to expand to meet current demand. This has resulted in more motorcycle loans with larger loan balances that are in the later stages of delinquency being charged-off without a successful repossession. In the future, the Company anticipates recovering some portion of those charge-offs as the motorcycles are located, repossessed and sold at auction.

The allowance for credit losses at the end of the first quarter of 2023 was consistent with the balance at the end of 2022 as the overall macro-economic conditions remained uncertain given near-term recession concerns did not abate, elevated levels of inflation continued to challenge the U.S. and global economies, and muted consumer confidence persisted, among other factors. As such, at the end of the first quarter of 2023, the Company's outlook on economic conditions and its probability weighting of its economic forecast scenarios were weighted towards a near-term recession.

Annualized losses on the Company's retail motorcycle loans were 3.21% during the first quarter of 2023 compared to 1.77% in the first quarter of 2022. The 30-day delinquency rate for retail motorcycle loans at March 31, 2023 increased to 3.74% from 2.87% at March 27, 2022.

Operating expenses increased \$4.0 million compared to the first quarter of 2022 due in part to higher employee and repossession related costs as well as a valuation loss on a securitization interest rate cap.

Changes in the allowance for credit losses on finance receivables were as follows (in thousands):

	Three months ended	
	March 31, 2023	March 27, 2022
Balance, beginning of period	\$ 358,711	\$ 339,379
Provision for credit losses	52,364	28,822
Charge-offs, net of recoveries	(52,644)	(27,728)
Balance, end of period	\$ 358,431	\$ 340,473

Other Matters

Commitments and Contingencies

The Company is subject to lawsuits and other claims related to product, product recall, commercial, employee, environmental and other matters. In determining costs to accrue related to these items, the Company carefully analyzes cases and considers the likelihood of adverse judgments or outcomes, as well as the potential range of possible loss. Any amounts accrued for these matters are monitored on an ongoing basis and are updated based on new developments or new information as it becomes available for each matter. Refer to *Note 14 of the Notes to Consolidated financial statements* for a discussion of the Company's commitments and contingencies.

Liquidity and Capital Resources

The Company's strategy is to maintain a minimum of twelve months of its projected liquidity needs through a combination of cash and cash equivalents and availability under its credit facilities.

The Company believes its current cash, cash equivalents and availability under its credit facilities are sufficient to meet its liquidity requirements, consistent with its strategy. The Company expects to fund its operations, excluding the origination of finance receivables, primarily with cash flows from operating activities and cash and cash equivalents on hand.⁽¹⁾ The Company expects to fund the origination of finance receivables primarily with unsecured debt, unsecured commercial paper, asset-backed commercial paper conduit facilities, committed unsecured bank facilities, asset-backed securitizations and brokered certificates of deposit.⁽¹⁾

The Company's cash and cash equivalents and availability under its credit and conduit facilities at March 31, 2023 were as follows (in thousands):

Cash and cash equivalents ^(a)	\$	1,561,200
U.S. commercial paper conduit facility:		
Committed asset-backed U.S. commercial paper conduit facility ^(b)		1,500,000
Borrowings against committed facility		(300,000)
Net asset-backed U.S. commercial paper conduit committed facility availability		1,200,000
Uncommitted asset-backed U.S. commercial paper conduit facility		72,816
Borrowings against uncommitted facility		(72,816)
Net asset-backed U.S. commercial paper conduit uncommitted facility availability		—
Total net U.S. commercial paper conduit facility availability		1,200,000
Asset-backed Canadian commercial paper conduit facility ^{(b)(c)}		92,295
Borrowings against committed facility		(62,195)
Net asset-backed Canadian commercial paper conduit facility		30,100
Availability under credit and conduit facilities:		
Credit facilities		1,420,000
Commercial paper outstanding		(501,243)
Net credit facility availability		918,757
	\$	3,710,057

(a) Includes \$236.0 million of cash and cash equivalents held by LiveWire Group, Inc.

(b) Includes facilities expiring in the next 12 months which the Company expects to renew prior to expiration.⁽¹⁾

(c) C\$125.0 million Canadian Conduit facility agreement remeasured to U.S. dollars at March 31, 2023.

To access the debt capital markets, the Company relies on credit rating agencies to assign short-term and long-term credit ratings. Generally, lower credit ratings result in higher borrowing costs and reduced access to debt capital markets. A credit rating agency may change or withdraw the Company's ratings based on its assessment of the Company's current and future ability to meet interest and principal repayment obligations. The Company's short-term debt ratings affect its ability to issue unsecured commercial paper. The Company's short- and long-term debt ratings, as of March 31, 2023 were as follows:

	Short-Term	Long-Term	Outlook
Moody's	P3	Baa3	Stable
Standard & Poor's	A3	BBB-	Stable
Fitch	F2	BBB+	Stable

The Company recognizes that it must continue to monitor and adjust its business to changes in the lending environment. The Company intends to continue with a diversified funding profile through a combination of short-term and long-term funding vehicles and to pursue a variety of sources to obtain cost-effective funding.⁽¹⁾ HDFs segment results could be negatively affected by higher costs of funding and increased difficulty of raising, or potential unsuccessful efforts to raise, funding in the short-term and long-term capital markets.⁽¹⁾ These negative consequences could in turn adversely affect the Company's business and results of operations in various ways, including through higher costs of capital, reduced funds available through HDFs to provide loans to dealers and their retail customers, and dilution to existing shareholders through the use of alternative sources of capital.

Cash Flow Activity

The Company's cash flow activities were as follows (in thousands):

	Three months ended	
	March 31, 2023	March 27, 2022
Net cash provided by operating activities	\$ 46,677	\$ 139,321
Net cash used by investing activities	(70,586)	(121,135)
Net cash provided (used) by financing activities	178,590	(483,505)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	3,820	(1,743)
Net increase (decrease) in cash, cash equivalents and restricted cash	\$ 158,501	\$ (467,062)

Operating Activities

Cash flow provided by operating activities in the first three months of 2023 compared to the first three months of 2022 was adversely impacted by an increase in wholesale finance receivables, partially offset by a benefit from changes in working capital. Working capital was positively impacted by favorable changes in inventory, partially offset by less favorable changes in accounts payable compared to the first three months of 2022.

The Company continues to expect that it will generate sufficient cash inflows from operating activities to fund its ongoing operating cash requirements excluding operating cash requirements related to the origination of finance receivables which the Company expects to fund through the issuance of debt. The Company's ongoing operating cash requirements include those related to existing contractual commitments. The Company's purchase orders for inventory used in manufacturing generally do not become firm commitments until 90 days prior to expected delivery. The Company's material contractual operating cash commitments at March 31, 2023 relate to leases, retirement plan obligations and income taxes. The Company's long-term lease obligations and future payments are discussed further in *Note 10 of the Notes to Consolidated financial statements* in the Company's Annual Report on Form 10-K for the year ended December 31, 2022. There are no required qualified pension plan contributions in 2023. The Company's expected future contributions and benefit payments related to its defined benefit retirement plans are discussed further in *Note 15 of the Notes to Consolidated financial statements* in the Company's Annual Report on Form 10-K for the year ended December 31, 2022. The Company has a liability for unrecognized tax benefits of \$28.4 million and related accrued interest and penalties of \$16.0 million as of March 31, 2023. The Company cannot reasonably estimate the period of cash settlement for either the liability for unrecognized tax benefits or accrued interest and penalties.

Investing Activities

The Company's most significant investing activities consist of capital expenditures and retail finance receivable originations and collections. Capital expenditures were \$45.1 million in the first three months of 2023 compared to \$28.0 million in the same period last year. The Company's 2023 plan includes estimated capital investments between \$225 million and \$250 million, all of which the Company expects to fund with net cash flow generated by operations.⁽¹⁾

Net cash outflows for finance receivables during the first three months of 2023 were \$67.0 million lower compared to the same period last year due to lower retail finance receivable originations, partially offset by lower collections of finance receivables. The Company funds its finance receivables net lending activity through the issuance of debt, discussed in "Financing Activities" below.

Financing Activities

The Company's financing activities consist primarily of dividend payments, share repurchases, and debt activity.

The Company paid dividends of \$0.165 and \$0.158 per share totaling \$24.1 million and \$24.1 million during the first three months of 2023 and 2022, respectively.

Cash outflows for share repurchases were \$96.8 million in the first three months of 2023 compared to \$261.7 million in the same period last year. Share repurchases during the first three months of 2023 include \$84.0 million or 2.0 million shares of common stock related to discretionary repurchases and \$12.8 million or 0.3 million shares of common stock employees surrendered to satisfy withholding taxes in connection with the vesting of restricted stock units and performance shares. As of March 31, 2023, there were 7.8 million shares remaining on a board-approved share repurchase authorization.

Financing cash flows related to debt and brokered certificates of deposit activity resulted in net cash inflows of \$0.3 billion in the first three months of 2023 compared to a net cash outflow of \$0.2 billion in the same period last year. The Company's total outstanding debt and liability for brokered certificates of deposit consisted of the following (in thousands):

	March 31, 2023	March 27, 2022
Outstanding debt:		
Unsecured commercial paper	\$ 501,243	\$ 816,016
Asset-backed Canadian commercial paper conduit facility	62,195	95,664
Asset-backed U.S. commercial paper conduit facility	372,816	269,534
Asset-backed securitization debt, net	2,257,799	1,357,558
Medium-term notes, net	3,245,591	3,329,845
Senior notes, net	745,545	744,842
	<u>\$ 7,185,189</u>	<u>\$ 6,613,459</u>
Deposits, net	\$ 369,311	\$ 348,083

Refer to Note 9 of the Notes to Consolidated financial statements for a summary of future principal payments on the Company's debt obligations. Refer to Note 6 of the Notes to Consolidated financial statements for a summary of future maturities on the Company's certificates of deposit.

Deposits – HDFC offers brokered certificates of deposit to customers indirectly through contractual arrangements with third-party banks and/or securities brokerage firms through its bank subsidiary. The Company had \$369.3 million and \$348.1 million, net of fees, of interest-bearing brokered certificates of deposit outstanding as of March 31, 2023 and March 27, 2022, respectively. The deposits are classified as short- and long-term liabilities based upon the term of each brokered certificate of deposit issued. Each separate brokered certificate of deposit is issued under a master certificate, and as such, all outstanding brokered certificates of deposit are considered below the Federal Deposit Insurance Corporation insurance coverage limits.

Credit Facilities – In April 2022, the Company entered into a \$710.0 million five-year credit facility to replace the \$707.5 million five-year credit facility that was due to mature in April 2023. The new five-year credit facility matures in April 2027. The Company also amended its other \$707.5 million five-year credit facility to \$710.0 million with no change to the maturity date of April 2025. The five-year credit facilities (together, the Global Credit Facilities) bear interest at variable rates, which may be adjusted upward or downward depending on certain criteria, such as credit ratings. The Global Credit Facilities also require the Company to pay a fee based on the average daily unused portion of the aggregate commitments. The Global Credit Facilities are committed facilities primarily used to support the Company's unsecured commercial paper program.

Unsecured Commercial Paper – Subject to limitations, the Company could issue unsecured commercial paper of up to \$1.42 billion as of March 31, 2023 supported by the Global Credit Facilities, as discussed above. Outstanding unsecured commercial paper may not exceed the unused portion of the Global Credit Facilities. Maturities may range up to 365 days from the issuance date. The Company intends to repay unsecured commercial paper as it matures with additional unsecured commercial paper or through other means, such as borrowing under the Global Credit Facilities, borrowing under its asset-backed U.S. commercial paper conduit facility or through the use of operating cash flow and cash on hand.⁽¹⁾

Medium-Term Notes – The Company had the following unsecured medium-term notes issued and outstanding at March 31, 2023 (in thousands):

Principal Amount	Rate	Issue Date	Maturity Date
\$706,972 ^(a)	4.94%	May 2020	May 2023
\$652,590 ^(b)	3.14%	November 2019	November 2024
\$700,000	3.35%	June 2020	June 2025
\$500,000	3.05%	February 2022	February 2027
\$700,000	6.50%	March 2023	March 2028

(a) €650.0 million par value remeasured to U.S. dollar at March 31, 2023

(b) €600.0 million par value remeasured to U.S. dollar at March 31, 2023

The U.S. dollar-denominated medium-term notes provide for semi-annual interest payments and the foreign currency-denominated medium-term notes provide for annual interest payments. Principal on the medium-term notes is due at maturity. Unamortized discounts and debt issuance costs on the medium-term notes reduced the outstanding balance by \$14.0 million and \$12.2 million at March 31, 2023 and March 27, 2022, respectively. During the first quarter of 2023, \$350.0 million of 3.35% medium-term notes matured, and the principal and accrued interest were paid in full. During the first quarter of 2022, \$550.0 million of 4.05% medium-term notes matured, and the principal and accrued interest were paid in full.

Senior Notes – In July 2015, the Company issued \$750.0 million of unsecured senior notes in an underwritten offering. The senior notes provide for semi-annual interest payments and principal due at maturity. \$450.0 million of the senior notes mature in July 2025 and have an interest rate of 3.50%, and \$300.0 million of the senior notes mature in July 2045 and have an interest rate of 4.625%. The Company used the proceeds from the debt to repurchase shares of its common stock in 2015.

On-Balance Sheet Asset-Backed Canadian Commercial Paper Conduit Facility – The Company has a revolving facility agreement (Canadian Conduit) with a Canadian bank-sponsored asset-backed commercial paper conduit. Under the agreement, the Canadian Conduit is contractually committed, at the Company's option, to purchase eligible Canadian retail motorcycle finance receivables for proceeds up to C\$125.0 million. The transferred assets are restricted as collateral for the payment of the associated debt. The terms for this debt provide for interest on the outstanding principal based on prevailing market interest rates plus a specified margin. The Canadian Conduit also provides for a program fee and an unused commitment fee based on the unused portion of the total aggregate commitment of C\$125.0 million. There is no amortization schedule; however, the debt is reduced monthly as available collections on the related finance receivables are applied to outstanding principal. Upon expiration of the Canadian Conduit, any outstanding principal will continue to be reduced monthly through available collections. The expected remaining term of the related receivables is approximately 4 years. Unless earlier terminated or extended by mutual agreement between the Company and the lenders, as of March 31, 2023, the Canadian Conduit has an expiration date of June 30, 2023.

There were no finance receivable transfers under the Canadian Conduit Facility during the first quarter of 2023. During the first quarter of 2022, the Company transferred \$25.3 million of Canadian retail motorcycle finance receivables to the Canadian Conduit for proceeds of \$21.2 million.

On-Balance Sheet Asset-Backed U.S. Commercial Paper Conduit Facilities VIE – The Company has a \$1.50 billion revolving facility agreement (the U.S. Conduit Facility) with third-party banks and their asset-backed U.S. commercial paper conduits. Under the revolving facility agreement, the Company may transfer U.S. retail motorcycle finance receivables to an SPE, which in turn may issue debt to those third-party banks and their asset-backed U.S. commercial paper conduits. In November 2022, the Company renewed the U.S. Conduit Facility. As a result of the renewal, the agreement no longer allows for uncommitted additional borrowings, at the lender's discretion, of up to \$300.0 million in addition to the \$1.50 billion aggregate commitment. Prior to the November 2022 renewal, the Company drew against the \$300.0 million of uncommitted additional borrowings that were available prior to the renewal and, at March 31, 2023, \$72.8 million of the amount drawn remained outstanding. Availability under the U.S. Conduit Facility is based on, among other things, the amount of eligible U.S. retail motorcycle finance receivables held by the SPE as collateral.

There were no finance receivable transfers under the U.S. Conduit Facility during the first quarter of 2023. During the first quarter of 2022, the Company transferred \$47.1 million of U.S. retail motorcycle finance receivables to an SPE which, in turn, issued \$41.3 million of debt under the U.S. Conduit Facility.

The terms for this debt provide for interest on the outstanding principal based on prevailing commercial paper rates if funded by a conduit lender through the issuance of commercial paper. Subsequent to the November 2022 renewal, the interest rate on all outstanding debt and future borrowings, if not funded by a conduit lender through the issuance of commercial paper, is based on the Secured Overnight Financing Rate (SOFR), with provisions for a transition to other benchmark rates in the future, if necessary. Prior to the renewal, if not funded by a conduit lender through the issuance of commercial paper, the terms of the interest were based on LIBOR or SOFR, as appropriate, with provisions for a transition to other benchmark rates. In addition to interest, a program fee is assessed based on the outstanding debt principal balance. The U.S. Conduit Facility also provides for an unused commitment fee based on the unused portion of the total aggregate commitment. There is no amortization schedule; however, the debt is reduced monthly as available collections on the related finance receivables are applied to outstanding principal. Upon expiration of the U.S. Conduit Facility, any outstanding principal will continue to be reduced monthly through available collections. The expected remaining term of the related receivables held by the SPE is approximately 4 years. Unless earlier terminated or extended by mutual agreement of the Company and the lenders, as of March 31, 2023, the U.S. Conduit Facility has an expiration date of November 17, 2023.

Asset-Backed Securitization VIEs – For all of its asset-backed securitization transactions, the Company transfers U.S. retail motorcycle finance receivables to separate VIEs, which in turn issue secured notes with various maturities and interest

rates to investors. All of the notes held by the VIEs are secured by future collections of the purchased U.S. retail motorcycle finance receivables. The U.S. retail motorcycle finance receivables included in the asset-backed securitization transactions are not available to pay other obligations or claims of the Company's creditors until the associated debt and other obligations are satisfied. Restricted cash balances held by the VIEs are used only to support the securitizations.

The accounting treatment for asset-backed securitizations depends on the terms of the related transaction and the Company's continuing involvement with the VIE. The Company's current outstanding asset-backed securitizations do not meet the criteria to be accounted for as a sale because, in addition to retaining servicing rights, the Company retains a financial interest in the VIE in the form of a debt security. These transactions are treated as secured borrowings, and as such, the retail motorcycle finance receivables remain on the balance sheet with a corresponding obligation reflected as debt. There is no amortization schedule for the secured notes; however, the debt is reduced monthly as available collections on the related retail motorcycle finance receivables are applied to outstanding principal. The secured notes currently have various contractual maturities ranging from 2024 to 2030.

During the first quarter of 2023, the Company transferred \$628.5 million of U.S. retail motorcycle finance receivables to an SPE which, in turn, issued \$550.0 million, or \$547.7 million net of discount and issuance costs, of secured notes through an on-balance sheet asset-backed securitization transaction. There were no on-balance sheet asset-backed securitization transactions during the first quarter of 2022.

Intercompany Agreements – On January 27, 2023, Harley-Davidson, Inc. entered into a revolving line of credit with Harley-Davidson Financial Services, Inc. whereby Harley-Davidson Financial Services, Inc. may borrow up to \$200.0 million at market interest rates with an expiration date of July 27, 2024. As of March 31, 2023, Harley-Davidson Financial Services, Inc. had no outstanding borrowings owed to Harley-Davidson, Inc. under this agreement.

Harley Davidson, Inc. also has a support agreement with Harley-Davidson Financial Services Inc. whereby, if required, Harley-Davidson, Inc. agrees to provide Harley-Davidson Financial Services Inc. with financial support to maintain Harley-Davidson Financial Services Inc.'s fixed-charge coverage at 1.25 and minimum net worth of \$40.0 million. Support may be provided at Harley-Davidson, Inc.'s option as capital contributions or loans. No amount has ever been provided to Harley-Davidson Financial Services Inc. under the support agreement.

Operating and Financial Covenants – Harley-Davidson Financial Services Inc. and the Company are subject to various operating and financial covenants related to the credit facilities and various operating covenants under the medium-term and senior notes and the U.S. and Canadian asset-backed commercial paper conduit facilities. The more significant covenants are described below.

The operating covenants limit the Company's and Harley-Davidson Financial Services Inc.'s ability to:

- Assume or incur certain liens;
- Participate in certain mergers or consolidations; and
- Purchase or hold margin stock.

Under the current financial covenants of the Global Credit Facilities, the ratio of Harley-Davidson Financial Services Inc.'s consolidated debt, excluding secured debt, to Harley-Davidson Financial Services' consolidated allowance for credit losses on finance receivables plus Harley-Davidson Financial Services Inc.'s consolidated shareholders' equity, excluding accumulated other comprehensive loss (AOCL), cannot exceed 10.0 to 1.0 as of the end of any fiscal quarter. In addition, the ratio of the Company's consolidated debt to the Company's consolidated debt and consolidated shareholders' equity (where the Company's consolidated debt in each case excludes that of Harley-Davidson Financial Services Inc. and its subsidiaries, and the Company's consolidated shareholders' equity excludes AOCL), cannot exceed 0.7 to 1.0 as of the end of any fiscal quarter. No financial covenants are required under the medium-term or senior notes or the U.S. or Canadian asset-backed commercial paper conduit facilities.

As of March 31, 2023, Harley-Davidson Financial Services Inc. and the Company remained in compliance with all of the then existing covenants.

Cautionary Statements

Important factors that could affect future results and cause those results to differ materially from those expressed in the forward-looking statements include, among others, the Company's ability to: (a) execute its business plans and strategies, including The Hardwire, each of the pillars, and the evolution of LiveWire as a standalone brand, which includes the risks noted below; (b) manage supply chain and logistics issues, including quality issues, availability of semiconductor chip components and the ability to find alternative sources of those components in a timely manner, unexpected interruptions or price increases caused by supplier volatility, raw material shortages, inflation, war or other hostilities, including the conflict in

Ukraine, or natural disasters and longer shipping times and increased logistics costs, including by successfully implementing pricing surcharges; (c) realize the expected business benefits from LiveWire operating as a separate public company, which may be affected by, among other things: (I) the ability of LiveWire to: (1) execute its plans to develop, produce, market and sell its electric vehicles; (2) achieve profitability, which is dependent on the successful development and commercial introduction and acceptance of its electric vehicles, and its services, which may not occur; (3) adequately control the costs of its operations as a new entrant into a new space; (4) develop, maintain and strengthen its brand; (5) execute its plans to develop, produce, market and sell its electric vehicles on expected timelines; and (6) effectively establish and maintain cooperation from its retail partners, largely drawn from the Company's traditional motorcycle dealer network, to be able to effectively establish or maintain relationships with customers for electric vehicles; (II) competition; and (III) other risks and uncertainties indicated in documents filed with the SEC by the Company or LiveWire Group, Inc., including those risks and uncertainties noted in *Risk Factors* under *Item 1.A* of LiveWire Group Inc.'s Annual Report on Form 10-K for the year ended December 31, 2022; (d) accurately analyze, predict and react to changing market conditions and successfully adjust to shifting global consumer needs and interests; (e) successfully access the capital and/or credit markets on terms that are acceptable to the Company and within its expectations; (f) successfully carry out its global manufacturing and assembly operations; (g) develop and introduce products, services and experiences on a timely basis that the market accepts, that enable the Company to generate desired sales levels and that provide the desired financial returns, including successfully implementing and executing plans to strengthen and grow its leadership position in Grand American Touring, large Cruiser and Trike, and grow its complementary businesses; (h) perform in a manner that enables the Company to benefit from market opportunities while competing against existing and new competitors; (i) manage ongoing risks related to the impact of the COVID-19 pandemic, such as supply chain disruptions, its ability to carry out business as usual, and government actions and restrictive measures implemented in response; (j) manage the regulatory compliance matter relating to a third-party supplier's component part in a manner that avoids additional costs or recall expenses that are material; (k) successfully appeal: (I) the revocation of the Binding Origin Information (BOI) decisions that allowed the Company to supply its European Union (EU) market with certain of its motorcycles produced at its Thailand operations at a reduced tariff rate and (II) the denial of the Company's application for temporary relief from the effect of the revocation of the BOI decisions; (l) manage and predict the impact that new, reinstated or adjusted tariffs may have on the Company's ability to sell products internationally, and the cost of raw materials and components, including the temporary lifting of the Section 232 steel and aluminum tariffs and incremental tariffs on motorcycles imported into the EU from the U.S., between the U.S. and EU, which expires on December 31, 2023; (m) prevent, detect and remediate any issues with its motorcycles or any issues associated with the manufacturing processes to avoid delays in new model launches, recall campaigns, regulatory agency investigations, increased warranty costs or litigation and adverse effects on its reputation and brand strength, and carry out any product programs or recalls within expected costs and timing; (n) manage the impact that prices for and supply of used motorcycles may have on its business, including on retail sales of new motorcycles; (o) successfully manage and reduce costs throughout the business; (p) manage through changes in general economic and business conditions, including changing capital, credit and retail markets, particularly with the recent turmoil in the banking industry, and the changing domestic and international political environments, including as a result of the conflict in Ukraine; (q) continue to develop the capabilities of its distributors and dealers, effectively implement changes relating to its dealers and distribution methods and manage the risks that its dealers may have difficulty obtaining capital and managing through changing economic conditions and consumer demand; (r) continue to develop and maintain a productive relationship with Zhejiang Qianjiang Motorcycle Co., Ltd. and launch related products in a timely manner; (s) maintain a productive relationship with Hero MotoCorp as a distributor and licensee of the Harley-Davidson brand name in India; (t) successfully maintain a manner in which to sell motorcycles in China and the Company's Association of Southeast Asian Nations (ASEAN) countries that does not subject its motorcycles to incremental tariffs; (u) manage its Thailand corporate and manufacturing operation in a manner that allows the Company to avail itself of preferential free trade agreements and duty rates, and sufficiently lower prices of its motorcycles in certain markets; (v) accurately estimate and adjust to fluctuations in foreign currency exchange rates, interest rates and commodity prices; (w) retain and attract talented employees, and eliminate personnel duplication, inefficiencies and complexity throughout the organization; (x) prevent a cybersecurity breach involving consumer, employee, dealer, supplier, or Company data and respond to evolving regulatory requirements regarding data security; (y) manage the credit quality, the loan servicing and collection activities, and the recovery rates of Harley-Davidson Financial Services' loan portfolio; (z) adjust to tax reform, healthcare inflation and reform and pension reform, and successfully estimate the impact of any such reform on the Company's business; (aa) manage through the effects inconsistent and unpredictable weather patterns may have on retail sales of motorcycles; (bb) implement and manage enterprise-wide information technology systems, including systems at its manufacturing facilities; (cc) manage changes, prepare for, and respond to evolving requirements in legislative and regulatory environments related to its products, services and operations; (dd) manage its exposure to product liability claims and commercial or contractual disputes; (ee) continue to manage the relationships and agreements that the Company has with its labor unions to help drive long-term competitiveness; (ff) achieve anticipated results with respect to the Company's pre-owned motorcycle program, Harley-Davidson Certified, the Company's H-D1 Marketplace, and Apparel and Licensing; (gg) accurately predict the margins of its segments in light of, among other things, tariffs, inflation, foreign currency exchange rates, the cost associated with product development initiatives and the Company's complex global supply chain; and (hh) optimize capital allocation in light of the Company's capital allocation

priorities; and (ii) manage through the effects increased environmental, safety, emissions or other regulations or other influences may have on the business and its operating results.

The Company's ability to sell its motorcycles and related products and services and to meet its financial expectations also depends on the ability of the Company's dealers to sell its motorcycles and related products and services to retail customers. The Company depends on the capability and financial capacity of its dealers to develop and implement effective retail sales plans to create demand for the motorcycles and related products and services they purchase from the Company. In addition, the Company's dealers and distributors may experience difficulties in operating their businesses and selling Harley-Davidson motorcycles and related products and services as a result of weather, economic conditions, the impact of the COVID-19 pandemic, or other factors.

In recent years, Harley-Davidson Financial Services (HDFS) experienced historically low levels of retail credit losses, but credit losses have been normalizing to higher levels in recent quarters. Further, the Company believes that HDFS's retail credit losses will continue to change over time due to changing consumer credit behavior, macroeconomic conditions including the impact of inflation, and HDFS's efforts to adjust underwriting criteria based on market and economic conditions, as well as actions that the Company has taken and could take that impact motorcycle values.

The Company's operations, demand for its products, and its liquidity could be adversely impacted by work stoppages, facility closures, strikes, natural causes, widespread infectious disease, terrorism, war or other hostilities, including the conflict in Ukraine, or other factors. Refer to *Risk Factors* under *Item 1.A* of the Company's Annual Report on Form 10-K for the year ended December 31, 2022 for a discussion of additional risk factors and a more complete discussion of some of the cautionary statements noted above.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The Company is exposed to market risk from changes in foreign currency exchange rates, commodity prices and interest rates. To reduce such risks, the Company selectively uses derivative financial instruments. All hedging transactions are authorized and executed pursuant to regularly reviewed policies and procedures, which prohibit the use of financial instruments for speculative trading purposes. Sensitivity analysis is used to manage and monitor foreign currency exchange rate and interest rate risks. Further disclosure relating to the fair value of the Company's derivative financial instruments is included in *Note 8 of the Notes to Consolidated financial statements*.

HDMC Segment

The Company sells its motorcycles and related products internationally and in most markets those sales are made in the foreign country's local currency. As a result, the HDMC segment operating results are affected by fluctuations in the value of the U.S. dollar relative to foreign currencies. The Company's most significant foreign currency exchange rate risk resulting from the sale of motorcycles and related products relates to the Euro, Australian dollar, Japanese yen, Brazilian real, Canadian dollar, Mexican peso, Chinese yuan, Singapore dollar, Thai baht and Pound sterling. The Company utilizes foreign currency contracts to mitigate the effect of certain currencies' fluctuations on HDMC segment operating results. The foreign currency contracts are entered into with banks and allow the Company to exchange currencies at a future date, based on a fixed exchange rate. There have been no material changes to the foreign currency exchange rate market risk information included in the Company's Annual Report on Form 10-K for the year ended December 31, 2022.

The Company purchases commodities for the use in the production of motorcycles. As a result, HDMC segment operating income is affected by changes in commodity prices. The Company uses derivative financial instruments on a limited basis to hedge the prices of certain commodities. There have been no material changes to the commodity market risk information included in the Company's Annual Report on Form 10-K for the year ended December 31, 2022.

LiveWire Segment

LiveWire has sold and expects to sell its electric motorcycles, electric balance bikes and related products internationally, and in most markets, those sales are made in the foreign country's local currency. As a result, LiveWire's operating results are affected by fluctuations in the values of the U.S. dollar relative to foreign currencies; however, the impact of such fluctuations on LiveWire's operations to date have not been material given the majority of LiveWire's sales are currently in the U.S. LiveWire plans to expand its business and operations internationally and expects its exposure to currency rate risk to increase as it grows its international presence.

HDFS Segment

The Company has interest rate sensitive financial instruments including financial receivables, debt and interest rate derivative financial instruments. As a result, HDFS operating income is affected by changes in interest rates. The Company

utilizes interest rate caps to reduce the impact of fluctuations in interest rates on its asset-backed securitization transactions. There have been no material changes to the interest rate market risk information included in the Company's Annual Report on Form 10-K for the year ended December 31, 2022.

HDFS also has short-term commercial paper and debt issued through the commercial paper conduit facilities that is subject to changes in interest rates which it does not hedge. There have been no material changes to the interest rate market risk information included in the Company's Annual Report on Form 10-K for the year ended December 31, 2022.

The Company has foreign denominated medium-term notes, and as a result, HDFS operating income is affected by fluctuations in the value of the U.S. dollar relative to foreign currencies and interest rates. At March 31, 2023, this exposure related to the Euro. The Company utilizes cross-currency swaps to mitigate the effect of the foreign currency exchange rate and interest rate fluctuations related to foreign denominated debt. There have been no material changes to the foreign currency exchange rate and interest rate market risk information included in the Company's Annual Report on Form 10-K for the year ended December 31, 2022.

Refer to the Company's Annual Report on Form 10-K for the year ended December 31, 2022 for further information concerning the Company's market risk.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures – In accordance with Rule 13a-15(b) of the Securities Exchange Act of 1934 (the Exchange Act), as of the end of the period covered by this Quarterly Report on Form 10-Q, the Company's management evaluated, with the participation of the Company's President and Chief Executive Officer and the Vice President, Treasurer, and Interim Chief Financial Officer, the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act). Based upon their evaluation of these disclosure controls and procedures, the President and Chief Executive Officer and the Vice President, Treasurer, and Interim Chief Financial Officer have concluded that the disclosure controls and procedures were effective as of the end of the period covered by this Quarterly Report on Form 10-Q to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time period specified in the Securities and Exchange Commission rules and forms, and to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its President and Chief Executive Officer and Vice President, Treasurer, and Interim Chief Financial Officer, as appropriate, to allow timely decisions regarding disclosure.

Changes in Internal Controls – There were no changes in the Company's internal control over financial reporting during the quarter ended March 31, 2023 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

The information required under this Item 1 of Part II is contained in Item 1 of Part I of this Quarterly Report on Form 10-Q in *Note 14 of the Notes to Consolidated financial statements*, and such information is incorporated herein by reference in this Item 1 of Part II.

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

The Company's share repurchases, which consisted of discretionary shares and shares of common stock that employees surrendered to satisfy withholding taxes in connection with the vesting of restricted stock units and performance shares, were as follows during the quarter ended March 31, 2023:

2023 Fiscal Month	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs
January 1 to March 31	331	\$ 42	331	9,872,167
February 1 to February 28	259,229	\$ 49	259,229	9,872,167
March 1 to March 31	2,040,212	\$ 41	2,040,212	7,835,898
	<u>2,299,772</u>	<u>\$ 42</u>	<u>2,299,772</u>	

In February 2020, the Company's Board of Directors authorized the Company to repurchase up to 10.0 million shares of its common stock on a discretionary basis with no dollar limit or expiration date. The Company repurchased 2.0 million shares on a discretionary basis during the quarter ended March 31, 2023 under these authorizations. As of March 31, 2023, 7.8 million shares remained under the 2020 authorization.

Under the share repurchase authorizations, the Company's common stock may be purchased through any one or more of a Rule 10b5-1 trading plan and discretionary purchases on the open market, block trades, accelerated share repurchases, or privately negotiated transactions. The number of shares repurchased, if any, and the timing of repurchases will depend on a number of factors, including share price, trading volume, and general market conditions, as well as on working capital requirements, general business conditions, and other factors. The repurchase authority has no expiration date but may be suspended, modified, or discontinued at any time.

The Harley-Davidson, Inc. 2020 Incentive Stock Plan and the 2022 Aspirational Incentive Stock Plan (Incentive Plans) and predecessor stock plans permit participants to satisfy all or a portion of the statutory federal, state, and local withholding tax obligations arising in connection with plan awards by electing to (a) have the Company withhold shares otherwise issuable under the award, (b) tender back shares received in connection with such award, or (c) deliver other previously owned shares, in each case having a value equal to the amount to be withheld. During the first quarter of 2023, the Company acquired 263,503 shares of common stock that employees presented to the Company to satisfy withholding taxes in connection with the vesting of restricted stock units and performance shares. At the Company's 2022 Annual Meeting of Shareholders held May 12, 2022, the shareholders of the Company approved an amendment to the 2020 Incentive Stock Plan to increase the authorized number of shares under the Incentive Plan by 3.1 million shares. As amended, the 2020 Incentive Stock Plan provides that up to a total of 8.5 million shares of the Company's common stock may be issued thereunder.

Item 6. Exhibits

Refer to the exhibit index immediately following this page.

Harley-Davidson, Inc.
Exhibit Index to Form 10-Q

Exhibit No.	Description
4.1	Officers' Certificate, dated March 10, 2023, pursuant to Sections 102 and 301 of the Indenture, dated December 18, 2020, with the form of 6.50% Medium-Term Notes due 2028
4.2	Officers' Certificate, dated April 3, 2023, pursuant to a fiscal agency agreement dated April 5, 2023, with the form of 5.125% Guaranteed Notes due 2026
31.1	Chief Executive Officer Certification pursuant to Rule 13a-14(a)
31.2	Chief Financial Officer Certification pursuant to Rule 13a-14(a)
32.1	Written Statement of the Chief Executive Officer and the Chief Financial Officer pursuant to 18 U.S.C. §1350
101.INS	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	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File - formatted in Inline XBRL and contained in Exhibit 101

SIGNATURES

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

HARLEY-DAVIDSON, INC.

Date: May 10, 2023

/s/ David W. Viney
David W. Viney
Vice President, Treasurer, and Interim Chief Financial Officer
(Principal financial officer)

Date: May 10, 2023

/s/ Mark R. Kornetzke
Mark R. Kornetzke
Chief Accounting Officer
(Principal accounting officer)

**OFFICERS' CERTIFICATE
OF
HARLEY-DAVIDSON FINANCIAL SERVICES, INC.**

Pursuant to Sections 2.02 and 3.01 of the Indenture

Reference is made to the Indenture, dated as of December 18, 2020 (the "Indenture"), among Harley-Davidson Financial Services, Inc. (the "Company"), Harley-Davidson Credit Corp. (the "Guarantor") and Citibank, N.A., as trustee ("Trustee"). Terms used and not otherwise defined herein shall have the meanings ascribed thereto in the Indenture.

Pursuant to Sections 2.02 and 3.01 of the Indenture, the undersigned, David Viney and Susan Paskvan, in their respective capacities as Vice President and Treasurer of the Company and Vice President and Chief Financial Officer of the Company, hereby certify that:

(1) There is hereby established a new series of Debt Securities under the Indenture titled 6.50% Medium-Term Notes due 2028 (the "Notes").

(2) The Notes shall be in substantially the form of Exhibit A hereto.

(3) The Notes, as authenticated and delivered, shall have the terms set forth in Exhibit A hereto (which terms are incorporated herein by reference and deemed to be set forth herein in full) and the terms set forth or established pursuant to the Indenture and the offering memorandum and the pricing supplement, both dated as of March 7, 2023, relating to the Notes (together referred to as the "Offering Memorandum"), attached hereto as Exhibit B (which terms are incorporated herein by reference and deemed to be set forth herein in full); provided, however, that in the event of a conflict between the provisions of the Notes and the Offering Memorandum, the provisions of the Notes shall prevail.

(4) All conditions precedent provided for in the Indenture relating to the authentication and delivery of the Notes in such form have been complied with, assuming due authorization and delivery by the Trustee.

(5) All instruments furnished to the Trustee conform to the requirements of the Indenture and constitute sufficient authority hereunder for the Trustee to authenticate and deliver the Notes.

In connection with the foregoing, each of the undersigned officers of the Company further states that they have read the Indenture, including the provisions of the Indenture governing the authentication and delivery of the Notes, and have examined the originals, or copies identified to their satisfaction, of the Notes, such corporate records of the Company and the Guarantor, the Company Order delivered by the Company to the Trustee pursuant to Section 2.02 of the Indenture and such other documents and certificates as they have deemed necessary as a basis for the opinions expressed below. In all such examinations, the undersigned have assumed the genuineness of all signatures, the authenticity of all documents, certificates and instruments submitted as originals and the conformity with the originals of all documents submitted as copies.

The undersigned believe that the foregoing examination and investigation is sufficient to enable them to express an informed opinion as to whether or not the covenants and conditions precedent to the authentication and delivery of the Notes and the execution and delivery of the Indenture have been complied with or satisfied, and in their opinion, such conditions or covenants have been complied with and satisfied.

[Signature page follows]

IN WITNESS WHEREOF, each of the undersigned officers of the Company has affixed his signature this 10th day of March 2023.

/s/ David Viney

Name: David Viney

Title: Vice President and Treasurer of Harley-Davidson Financial Services, Inc.

/s/ Susan Paskvan

Name: Susan Paskvan

Title: Vice President and Chief Financial Officer of Harley-Davidson Financial Services, Inc.

Exhibit A

to

Officers' Certificate Pursuant to Sections 2.02 and 3.01 of the Indenture

HARLEY-DAVIDSON FINANCIAL SERVICES, INC.
6.50% MEDIUM-TERM NOTES DUE 2028

Fully and Unconditionally Guaranteed by Harley-Davidson Credit Corp.

THIS SECURITY IS A GLOBAL DEBT SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITORY (AS DEFINED IN THE INDENTURE) OR A NOMINEE THEREOF. THIS GLOBAL DEBT SECURITY IS EXCHANGEABLE FOR SECURITIES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITORY OR ITS NOMINEE ONLY IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE AND, UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR SECURITIES IN DEFINITIVE FORM, THIS GLOBAL DEBT SECURITY MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITORY TO A NOMINEE OF THE DEPOSITORY, OR BY A NOMINEE OF THE DEPOSITORY TO THE DEPOSITORY OR ANOTHER NOMINEE OF THE DEPOSITORY, OR BY THE DEPOSITORY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITORY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITORY.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) (“DTC”), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”) OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION, AND, ACCORDINGLY, NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ANY OTHER APPLICABLE JURISDICTION. BY ITS ACCEPTANCE HEREOF, THE HOLDER OF THIS SECURITY OR ANY INTEREST OR PARTICIPATION HEREIN (1) REPRESENTS THAT (A) IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT), OR (B) IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT, AND (2) AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE “RESALE RESTRICTION TERMINATION”

DATE") WHICH IS ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE THEREOF WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY) ONLY (A) TO THE COMPANY OR ANY SUBSIDIARY THEREOF, (B) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHICH NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES TO NON-U.S. PERSONS IN OFFSHORE TRANSACTIONS WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT, (E) TO AN ACCREDITED INVESTOR WITHIN THE MEANING OF SUBPARAGRAPH (a)(1), (2), (3) OR (7) OF RULE 501 OF REGULATION D UNDER THE SECURITIES ACT THAT IS ACQUIRING THIS SECURITY OR ANY INTEREST OR PARTICIPATION HEREIN FOR ITS OWN ACCOUNT, OR FOR THE ACCOUNT OF SUCH AN ACCREDITED INVESTOR, FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TO, OR FOR OFFER OR SALE IN CONNECTION WITH, ANY DISTRIBUTION IN VIOLATION OF THE SECURITIES ACT OR (F) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT TO THE COMPANY'S AND THE TRUSTEE'S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER (i) PURSUANT TO CLAUSES (E) OR (F) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM, AND (ii) IN EACH OF THE FOREGOING CASES, TO REQUIRE THAT A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE OTHER SIDE OF THIS SECURITY BE COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE.

THE HOLDER OF THIS SECURITY WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER FROM IT OF THE SECURITY EVIDENCED HEREBY OF THE RESALE RESTRICTIONS SET FORTH ABOVE.

HARLEY-DAVIDSON FINANCIAL SERVICES, INC.
6.50% MEDIUM-TERM NOTES DUE 2028

Fully and Unconditionally Guaranteed by Harley-Davidson Credit Corp.

No. A001 Principal Amount \$500,000,000
CUSIP No. 41284VAC6 as revised by the Schedule of
ISIN US41284VAC63 Increases or Decreases in Global
Common Code No. 259832233 Note attached hereto

Issue Price: 99.681%
Original Issue Date: March 10, 2023

Maturity Date: March 10, 2028
Index Maturity:
☐ Original Issue Discount
Total Amount of OID
Yield to Maturity:
Initial Accrual Period OID

☒ Fixed Rate
Interest Rate: 6.500%
☐ Floating Rate
Interest Rate Basis
___ CD Rate
___ CMT Rate
 ☐ CMT Reuters Page FRBCMT:
 ☐ CMT Reuters Page FEDCMT:

Specified Currency (if other than U.S. dollars: N/A

___ Commercial Paper Rate
___ Federal Funds Rate

Option To Receive Payments In Specified Currency (non-U.S. dollar denominated Note):
NA

___ Prime Rate

Authorized Denomination: Minimum denominations of \$2,000 and integral multiples of
\$1,000 in excess thereof

Place of Payment (if other than as s
in the Indenture): N/A

☐ Treasury Rate
☐ Other

Spread (Plus Or Minus):

Spread Multiplier: %

Interest Category:
☐ Regular Floating Rate Note
☐ Floating Rate/Fixed Rate Note
 Fixed Rate Commencement Date
 Fixed Interest Rate: %

☐ Inverse Floating Rate Note

Initial Interest Reset Date:

Interest Reset Date

Interest Payment Dates (in the case of a Floating Rate Note and, in the case of a Fixed Rate Note, other than as set forth below): N/A

Regular Record Dates (if other than as set forth below): N/A

Interest Determination Dates (if other than as set forth below): N/A

Additional Amounts applicable for Company:

☐ Yes

☒ No

Additional Amounts applicable for Guarantor

☐ Yes

☒ No

Addendum Attached

Initial Redemption Date:

Initial Redemption Percentage:

Annual Redemption Percentage Reduction:

Repayment Date:

Renewable: ☐ Yes ☐ No

Extendible: ☐ Yes ☐ No

Final Maturity Date:

Initial Interest Rate:

Maximum Interest Rate: %

Minimum Interest Rate: %

Other Provisions

☐ Yes

☒ No

Authorized Denomination (only if non-U.S. dollar denominated Note): N/A

Calculation Agent (if other than the Trustee): N/A

Interest Payment Period: N/A

Harley-Davidson Financial Services, Inc., a corporation duly organized under the laws of the State of Delaware (herein called the “Company,” which term includes any successor corporation under the Indenture hereinafter referred to), for value received, hereby promises to pay to Cede & Co., or registered assigns, the Principal Amount specified above, as revised by the Schedule of Increases or Decreases in Global Note attached hereto, on the Maturity Date specified above and to pay to the registered holder of this Note (the “Holder”) interest on said Principal Amount at a rate per annum specified above and upon the terms provided below under either the heading “Provisions Applicable to Fixed Rate Notes Only” or “Provisions Applicable to Floating Rate Notes Only.”

This Note is one of the Company’s duly authorized issue of notes in the series titled 6.50% Medium-Term Notes due 2028 (herein referred to as the “Notes”), all issued or to be issued under an indenture, dated as of December 18, 2020 (as may be supplemented from time to time, the “Indenture”), among the Company, Harley-Davidson Credit Corp. (the “Guarantor”) and Citibank, N.A., as trustee (the “Trustee,” which term includes any successor trustee under the Indenture), to which Indenture reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Trustee, the Company, the Guarantor and the Holders of the Notes and of the terms upon which the Notes are, and are to be, authenticated and delivered. The Notes of this series are limited (except as otherwise provided in the Indenture) to the aggregate principal amount established from time to time by the Company’s Board of Directors (as defined in the Indenture). The Notes of this series may be issued at various times with different maturity dates and different principal repayment provisions, may bear interest at different rates and may otherwise vary, all as provided in the Indenture. The Notes of this series may be subject to redemption upon notice and in accordance with the provisions of this Note and the Indenture. The Company and the Guarantor may defease the Notes of this series in accordance with the provisions of the Indenture.

To secure the due and punctual payment of principal, any premium, any interest and Additional Amounts (as defined in the Indenture) on this Note by the Company under the Indenture, when and as the same shall become due and payable, whether at the Maturity Date, by declaration of acceleration, call for redemption or otherwise, the Guarantor has unconditionally

guaranteed this Note pursuant to the terms of the Guarantee endorsed hereon and in Article Sixteen of the Indenture (the “Guarantee”).

As used herein, the term “Business Day,” means any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which commercial banks are authorized or

required by law, regulation or executive order to close in the City of New York; *provided, however*, that if a Specified Currency is specified above, the day is also not a day on which commercial banks are authorized or required by law, regulation or executive order to close in the Principal Financial Center (as defined below) of the country issuing such Specified Currency or, if such Specified Currency is the Euro, the day is also a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System is open.

“Principal Financial Center” means, unless otherwise provided in this Note, the capital city of the country issuing the Specified Currency; except that with respect to United States dollars, Australian dollars, Canadian dollars, South African rand and Swiss francs, the “Principal Financial Center” will be the City of New York, Sydney and (solely in the case of the Specified Currency) Melbourne, Toronto, Johannesburg and Zurich, respectively.

Provisions Applicable To Fixed Rate Notes Only:

If the “Fixed Rate” line above is checked, unless otherwise specified above, the Company will pay interest semiannually on March 10 and September 10 of each year (each such date fixed for the payment of interest, an “Interest Payment Date”) commencing on September 10, 2023, and ending on the Maturity Date or upon earlier redemption or repayment to the person to whom principal is payable. Interest shall accrue from the Original Issue Date, or from the most recent Interest Payment Date to which interest has been paid or duly provided for on this Note to, but excluding, the next following Interest Payment Date, Maturity Date, or earlier date of redemption or repayment, as the case may be. Interest on Fixed Rate Notes will be computed by the Company on the basis of a 360-day year consisting of twelve 30-day months.

If any Interest Payment Date or the Maturity Date (or the date of earlier redemption or repayment) of this Fixed Rate Note falls on a day that is not a Business Day, the payment will be made on the next Business Day as if it were made on the date such payment was due, and no interest will accrue on the amount so payable for the period from and after such Interest Payment Date or the Maturity Date (or the date of earlier redemption or repayment), as the case may be.

Provisions Applicable To Floating Rate Notes Only:

If the “Floating Rate” line above is checked, the Company will pay interest on the Interest Payment Dates shown specified above at the Initial Interest Rate specified above until the first Interest Reset Date specified above following the Original Issue Date specified above and thereafter at a rate determined in accordance with the provisions hereinafter set forth under the headings “Determination of CD Rate,” “Determination of CMT Rate,” “Determination of

Commercial Paper Rate,” “Determination of Federal Funds Rate,” “Determination of Prime Rate” or “Determination of Treasury Rate,” depending on whether the Interest Rate Basis is the CD Rate, the CMT Rate, the Commercial Paper Rate, the Federal Funds Rate, the Prime Rate, the Treasury Rate or other Interest Rate Basis.

An interest payment shall be the amount of interest accrued from and including the Original Issue Date, or from and including the last Interest Payment Date to which interest has been paid, to, but excluding, the next following Interest Payment Date, Maturity Date, or date of earlier redemption or repayment, as the case may be (an “Interest Period”). Notwithstanding any

provision herein to the contrary, the interest rate hereon shall not be greater than the Maximum Interest Rate, if any, or less than the Minimum Interest Rate, if any, specified above.

If any Interest Payment Date for any Floating Rate Note, other than an Interest Payment Date at maturity, would fall on a day that is not a Business Day, such Interest Payment Date will be the following day that is a Business Day, and interest will continue to accrue to the following Business Day. If the Maturity Date (or date of earlier redemption or repayment) of any Floating Rate Note would fall on a day that is not a Business Day, the payment of interest and principal (and premium, if any) may be made on the next succeeding Business Day, and no interest on such payment will accrue for the period from and after the Maturity Date (or the date of earlier redemption or repayment).

Commencing with the first Interest Reset Date specified above following the Original Issue Date, the rate at which interest on this Note is payable shall be adjusted daily, weekly, monthly, quarterly, semi-annually or annually as specified above under “Interest Reset Dates.”

The interest rate borne by this Note will be determined as follows:

- Unless the Interest Category of this Note is specified above as a “Floating Rate/Fixed Rate Note” or an “Inverse Floating Rate Note” or in the event either “Other Provisions” or an Addendum hereto applies, in each case, relating to a different interest rate formula, this Note shall be designated as a “Regular Floating Rate Note” and, except as set forth below or specified above under “Other Provisions” or in an Addendum hereto, shall bear interest at the rate determined by reference to the applicable Interest Rate Basis or Bases (a) plus or minus the applicable Spread, if any, and/or (b) multiplied by the applicable Spread Multiplier, if any; in each case as specified above. Commencing on the Initial Interest Reset Date, the rate at which interest on this Note shall be payable shall be reset as of each Interest Reset Date specified above; *provided, however*, that the interest rate in effect for the period, if any, from the Original Issue Date to the Initial Interest Reset Date shall be the Initial Interest Rate.
 - If the Interest Category of this Note is specified above as a “Floating Rate/Fixed Rate Note” then, except as set forth below or specified above under “Other Provisions” or in an Addendum hereto, this Note shall bear interest at the rate determined by reference to the applicable Interest Rate Basis or Bases (a) plus or minus the applicable Spread, if any, and/or (b) multiplied by the Spread Multiplier, if any, in each case as specified above. Commencing on the Initial Interest Reset Date, the rate at which interest on this Note shall be payable shall be reset as of each Interest Reset Date; *provided, however*, that (y) the interest rate in effect for the period, if any, from the Original Issue Date to the Initial Interest Reset Date shall be the Initial Interest Rate and (z) the interest rate in effect for the period commencing on, and including, the Fixed Rate Commencement Date specified above to the Maturity Date (or date of earlier redemption or repayment) shall be the Fixed Interest Rate specified above or, if no Fixed Interest Rate is so specified, the interest rate in effect on the day immediately preceding the Fixed Rate Commencement Date.
 - If the Interest Category of this Note is specified above as an “Inverse Floating Rate Note” then, except as set forth below or specified above under “Other Provisions” or in an Addendum hereto, this Note shall bear interest at (a) the Fixed Interest Rate specified
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above minus (b) the rate determined by reference to the applicable Interest Rate Basis or Bases:

- plus or minus the applicable Spread, if any, and/or
- multiplied by the applicable Spread Multiplier, if any, in each case as specified above;

provided, however, that, unless otherwise specified above under “Other Provisions” or in an Addendum hereto, the interest rate hereon shall not be less than zero. Commencing on the Initial Interest Reset Date, the rate at which interest on this Note shall be payable shall be reset on each Interest Reset Date; *provided, however*, that the interest rate in effect for the period, if any, from the Original Issue Date to the Initial Interest Reset Date shall be the Initial Interest Rate set forth above.

The “Spread” is the number of basis points (one basis point equals one-hundredth of a percentage point) specified above to be added to or subtracted from the Interest Rate Basis for a Floating Rate Note, and the “Spread Multiplier” is the percentage specified above by which the Interest Rate Basis for such Floating Rate Note will be multiplied. Both a Spread and/or a Spread Multiplier may be applicable to the Interest Rate Basis for a particular Floating Rate Note, as set forth above.

Each such adjusted Interest Rate Basis shall be applicable on and after the Interest Reset Date to which it relates but not including the next succeeding Interest Reset Date. If any Interest Reset Date is a day that is not a Business Day, such Interest Reset Date shall be postponed to the next day that is a Business Day. In addition, if the Treasury Rate is the applicable Interest Rate Basis and the Interest Determination Date would otherwise fall on an Interest Reset Date, then the Interest Reset Date will be postponed to the next succeeding Business Day. Subject to applicable provisions of law (including usury laws) and except as specified in this Note, on each Interest Reset Date, the rate of interest on this Note shall be the rate determined in accordance with the provisions of the applicable heading below.

With respect to a Floating Rate Note, accrued interest shall be calculated by multiplying the principal amount thereof by an accrued interest factor. Such accrued interest factor will be computed by adding the interest factors calculated for each day in the Interest Period or from the

last date from which accrued interest is being calculated. The interest factor for each such day is computed by dividing the interest rate applicable to such day by 360, in the cases of CD Rate Notes, Commercial Paper Rate Notes, Federal Funds Rate Notes and Prime Rate Notes or by the actual number of days in the year, in the cases of CMT Rate Notes and Treasury Rate Notes. The interest rate applicable to any day that is an Interest Reset Date will be the interest rate effective on such Interest Reset Date. The interest rate applicable to any other day will be the interest rate for the immediately preceding Interest Reset Date (or, if none, the Initial Interest Rate, as specified above).

The “Calculation Date,” where applicable, pertaining to an Interest Determination Date will be the earlier of (i) the tenth calendar day after such Interest Determination Date or, if any such day is not a Business Day, the next succeeding Business Day or (ii) the Business Day

preceding the applicable Interest Payment Date or the Maturity Date (or the date of earlier redemption or repayment), as the case may be.

For Floating Rate Notes, Citibank, N.A. shall be the calculation agent unless another calculation agent is specified above (the “Calculation Agent”). As Calculation Agent, Citibank, N.A. shall have all of the rights, protections, immunities and indemnities provided to it as Trustee under the Indenture, unless a calculation agency agreement is entered into, in which case, such agreement would control. The interest rate applicable to each interest period will be determined by the Calculation Agent on or prior to the applicable Calculation Date. At the request of the Holder, the Calculation Agent will provide the interest rate then in effect and, if determined, the interest rate which will become effective on the next Interest Reset Date.

All percentages resulting from any calculation of the rate of interest on a Floating Rate Note will be rounded, if necessary, to the nearest one hundred-thousandth of a percent (.000001), with five one-millionths of a percentage point rounded upward, and all dollar amounts used in or resulting from such calculation on Floating Rate Notes will be rounded to the nearest cent (with one-half cent being rounded upward).

Determination of CD Rate. If the Interest Rate Basis, as specified above, is, or is calculated by reference to, the CD Rate, unless otherwise specified above, the “CD Rate” for each Interest Reset Date will be determined by the Calculation Agent as of the second Business Day prior to such Interest Reset Date (a “CD Interest Determination Date”) and shall be the rate on the applicable CD Interest Determination Date for negotiable United States dollar certificates of deposit having the Index Maturity specified above as published in H.15(519) (as defined below) on such CD Interest Determination Date under the heading “CDs (secondary market).” If the rate referred to in the preceding sentence is not so published by 3:00 p.m., New York City time, on the applicable Calculation Date, the CD Rate shall be the rate on the applicable CD Interest Determination Date for negotiable United States dollar certificates of deposit of the Index Maturity specified above as published in H.15 Daily Update (as defined below), or other recognized electronic source used for the purpose of displaying the applicable rate, under the caption “CDs (secondary market).” If the rate referred to in the preceding sentence is not so published by 3:00 p.m., New York City time, on the applicable Calculation Date, the CD Rate shall be the rate on the applicable CD Interest Determination Date calculated by the Calculation Agent on the Notes as the arithmetic mean of the secondary market offered rates as of 10:00 a.m., New York City time, on the applicable CD Interest Determination Date, of three leading non-bank dealers in negotiable United States dollar certificates of deposit in the City of New York (which may include an agent or its affiliates) selected by the Company for negotiable United States dollar certificates of deposit of major United States money market banks with a remaining maturity closest to the Index Maturity specified above in an amount that is representative for a single transaction in that market at that time. If the dealers selected by the Company as provided in the preceding sentence are not quoting as mentioned in such sentence, the CD Rate shall be the CD Rate in effect on the applicable CD Interest Determination Date.

“H.15(519)” means the weekly statistical release designated as H.15(519), or any successor publication, published by the Board of Governors of the Federal Reserve System.

“H.15 Daily Update” means the daily update of H.15(519), available through the world- wide-web site of the Board of Governors of the Federal Reserve System at <http://www.federalreserve.gov/releases/h15/update>, or any successor site or publication.

Determination of CMT Rate. If the Interest Rate Basis, as specified above, is, or is calculated by reference to, the CMT Rate, unless otherwise specified above, the “CMT Rate” for each Interest Reset Date will be determined by the Calculation Agent as of the second Business Day prior to such Interest Reset Date (a “CMT Interest Determination Date”) and shall be, if “CMT Reuters Page FRBCMT” is specified above, the percentage equal to the yield for United States Treasury securities at “constant maturity” having the Index Maturity specified above, as the yield is displayed on Reuters, Inc. (or any successor or similar service), on page FRBCMT (or any other page as may replace the specified page on that service under the caption “Treasury Constant Maturities”) (“Reuters Page FRBCMT”). If the rate referred to in the preceding sentence does not appear on Reuters Page FRBCMT, the CMT Rate for such CMT Interest Determination Date will be a percentage equal to the yield for United States Treasury securities at “constant maturity” having the Index Maturity specified above, and for the applicable CMT Interest Determination Date as published in H.15(519) under the caption “Treasury Constant Maturities.” In the event the rate referred to in the preceding sentence does not appear in H.15(519), then the CMT Rate for such CMT Interest Determination Date will be the rate on the applicable CMT Interest Determination Date for the period of the Index Maturity specified above, as may then be published by either the Board of Governors of the Federal Reserve System or the United States Department of the Treasury that the Calculation Agent determines to be comparable to the rate which would otherwise have been published in H.15(519). In the event the rate referred to in the preceding sentence is not published, the CMT Rate on the applicable CMT Interest Determination Date will be calculated by the Calculation Agent as a yield-to-maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 p.m., New York City time, on the applicable CMT Interest Determination Date of three leading primary United States government securities dealers in the City of New York, which may include an agent of the Company or such agent’s affiliates (each a “Reference Dealer”), selected by the Company (from five Reference Dealers selected by the Company and eliminating the highest quotation (or, in the event of equality, one of the highest), and the lowest quotation (or, in the event of equality, one of the lowest)), for United States Treasury securities with an original maturity equal to the Index Maturity specified above, a remaining term to maturity no more than one year shorter than the Index Maturity specified above and in a principal amount that is representative for a single transaction in the securities in the market at that time. If fewer than five but more than two of the prices referred to in the above sentence are provided as requested, the CMT Rate on the applicable CMT Interest Determination Date will be calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained, and neither the highest nor the lowest of the quotations shall be eliminated; *provided, however*, that if fewer than three prices referred to above are provided as requested, the CMT Rate on the applicable CMT Interest Determination Date will be calculated by the Calculation Agent as a yield-to-maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 p.m., New York City time, on the applicable CMT Interest Determination Date of three Reference Dealers selected by the Company from five Reference Dealers selected by the Company and eliminating the highest quotation or, in the event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity greater than the Index Maturity specified above, and a remaining term to maturity closest to the Index Maturity specified above, and in a principal amount that is

representative for a single transaction in the securities in the market at that time. However, if fewer than five but more than two prices referred to above are provided as requested, the CMT Rate on the applicable CMT Interest Determination Date will be calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained, and neither the highest nor the lowest of the quotations will be eliminated. If fewer than three prices referred to above are provided as requested, the CMT Rate on the applicable CMT Interest Determination Date will be the CMT Rate in effect on the applicable CMT Interest Determination Date. If the CMT Reuters Page FEDCMT is specified above, the CMT Rate for such CMT Interest Determination Date will be a percentage equal to the one-week or one-month, as specified above, and will be the average yield for United States Treasury securities at “constant maturity” having the Index Maturity specified above, as the yield is displayed on Reuters, Inc. (or any successor service) on page FEDCMT (or any other page as may replace that specified page on that service) (“Reuters Page FEDCMT”), for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the related CMT Interest Determination Date falls. If the rate referred to in the preceding sentence does not appear on Reuters Page FEDCMT, then the CMT Rate for such CMT Interest Determination Date will be a percentage equal to the one-week or one-month, as specified above, average yield for United States Treasury securities at “constant maturity” having the Index Maturity specified above, and for the week or month, as applicable, preceding the applicable CMT Interest Determination Date as published in H.15(519) opposite the caption “Treasury Constant Maturities.” If the rate referred to in the preceding sentence does not appear in H.15(519), then the CMT Rate for such CMT Interest Determination Date will be the one-week or one-month, as specified above, average yield for United States Treasury securities at “constant maturity” having the Index Maturity specified above, as otherwise announced by the Federal Reserve Bank of New York for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the related CMT Interest Determination Date falls. If the Federal Reserve Bank of New York does not publish the rate referred to above, the rate on the applicable CMT Interest Determination Date will be calculated by the Calculation Agent as a yield-to-maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 p.m., New York City time, on the applicable CMT Interest Determination Date of three Reference Dealers selected by the Company (from five Reference Dealers selected by the Company and eliminating the highest quotation (or, in the event of equality, one of the highest), and the lowest quotation (or, in the event of equality, one of the lowest)), for United States Treasury securities with an original maturity equal to the Index maturity specified above, and a remaining term to maturity no more than one year shorter than the Index Maturity specified above, and in a principal amount that is representative for a single transaction in the securities in the market at that time. If fewer than five but more than two of the prices referred to above are provided as requested, the rate on the applicable CMT Interest Determination Date will be calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained, and neither the highest nor the lowest of the quotations shall be eliminated. If fewer than three prices referred to above are provided as requested, the rate on the applicable CMT Interest Determination Date will be calculated by the Calculation Agent as a yield-to-maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 p.m., New York City time, on the applicable CMT Interest Determination Date of three Reference Dealers selected by the Company (from five Reference Dealers selected by the Company and eliminating the highest quotation or (in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest)), for United States Treasury securities with an original maturity greater than the Index Maturity specified above, and a remaining term to maturity closest to the Index Maturity specified above and will be

in a principal amount that is representative for a single transaction in the securities in the market at that time. If fewer than five but more than two prices referred to above are provided as requested, the rate will be calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained, and neither the highest nor the lowest of the quotations will be eliminated, or if fewer than three prices referred to above are provided as requested, the CMT Rate will be the CMT Rate in effect on the applicable CMT Interest Determination Date. If two United States Treasury securities with an original maturity greater than the Index Maturity as specified above have remaining terms to maturity equally close to the Index Maturity specified above, the quotes for the United States Treasury security with the shorter original remaining term to maturity will be used.

Determination of Commercial Paper Rate. If the Interest Rate Basis, as specified above, is, or is calculated by reference to, the Commercial Paper Rate, unless otherwise specified above, the “Commercial Paper Rate” for each Interest Reset Date will be determined by the Calculation Agent as of the second Business Day prior to such Interest Reset Date (a “Commercial Paper Interest Determination Date”) and shall be the Money Market Yield (as defined below) on such date of the rate for commercial paper having the Index Maturity as indicated above, as such rate shall be published in H.15(519) under the caption “Commercial Paper-Nonfinancial.” In the event that such rate is not published prior to 3:00 p.m., New York City time, on the applicable Calculation Date, then the Commercial Paper Rate shall be calculated by the Calculation Agent as the Money Market Yield of the Commercial Paper Rate on the applicable Commercial Paper Interest Determination Date for commercial paper having the Index Maturity specified above, published in H.15 Daily Update, or other recognized electronic source used for the purpose of displaying the applicable rate, under the caption “Commercial Paper-Nonfinancial.” If by 3:00 p.m., New York City time, on the applicable Calculation Date, such rate is not yet published as provided in the preceding sentence, then the Commercial Paper Rate on the applicable Commercial Paper Interest Determination Date shall be calculated by the Calculation Agent as the Money Market Yield of the arithmetic mean of the offered rates at approximately 11:00 a.m., New York City time, on the applicable Commercial Paper Interest Determination Date of three leading dealers of United States dollar commercial paper in the City of New York, which may include an agent of the Company or such agent’s affiliates, selected by the Calculation Agent for commercial paper having the Index Maturity

specified above, placed for industrial issuers whose bond rating is “Aa,” or the equivalent, from a nationally recognized statistical rating organization; *provided, however*, that if the dealers selected as aforesaid by the Company are not quoting offered rates as mentioned in this sentence, the Commercial Paper Rate will be the Commercial Paper Rate in effect on the applicable Commercial Paper Interest Determination Date.

“Money Market Yield” shall be a yield calculated in accordance with the following formula and expressed as a percentage:

$$\text{Money market yield} = \frac{D \times 360}{360 - (D \times M)} \times 10$$

where “D” refers to the applicable per annum rate for commercial paper quoted on a bank discount basis and expressed as a decimal; and “M” refers to the actual number of days in the interest period for which interest is being calculated.

Determination of Federal Funds Rate. If the Interest Rate Basis, as specified above, is, or is calculated by reference to the Federal Funds Rate, unless otherwise specified above, the “Federal Funds Rate” with respect to each Interest Reset Date will be determined by the Calculation Agent as of the first Business Day prior to such Interest Reset Date (a “Federal Funds Interest Determination Date”) and shall be the rate on that date for United States dollar Federal Funds as published in H.15(519) under the heading “Federal Funds (Effective),” as displayed on Reuters, Inc. (or any successor service) on page FEDFUND01 (or any other page as may replace the applicable page on that service) (“Reuters Page FEDFUND01”) or, if such rate does not appear on Reuters Page FEDFUND01, or is not so published by 3:00 p.m., New York City time, on the applicable Calculation Date, the rate on the applicable Federal Funds Interest Determination Date for United States dollar Federal Funds will be the rate on such Federal Funds Interest Determination Date as published in H.15 Daily Update, or other recognized electronic source used for the purpose of displaying the applicable rate, under the caption “Federal Funds (Effective).” If such rate is not so published by 3:00 p.m., New York City time, on the applicable Calculation Date, the Federal Funds Rate will be calculated by the Calculation Agent and will be the arithmetic mean of the rates for the last transaction in overnight United States dollar Federal Funds arranged by three leading brokers of United States dollar Federal Funds transactions in the City of New York, which may include an agent of the Company or such agent’s affiliates, selected by the Company before 9:00 a.m., New York City time, on the applicable Federal Funds Interest Determination Date; *provided, however*, that if the brokers selected as aforesaid by the Company are not quoting as mentioned in this sentence, the Federal Funds Rate will be the Federal Funds Rate in effect on the applicable Federal Funds Interest Determination Date.

Determination of Prime Rate. If the Interest Rate Basis, as specified above, is, or is calculated by reference to, the Prime Rate, unless otherwise specified above, the “Prime Rate” with respect to each Interest Reset Date will be determined by the Calculation Agent as of the first Business Day prior to such Interest Reset Date (a “Prime Interest Determination Date”) and shall be the rate set forth on such date as published in H.15(519) under the caption “Bank Prime Loan,” or if not so published prior to 3:00 p.m., New York City time, on the applicable Calculation Date pertaining to such Prime Interest Determination Date, then the Prime Rate will be as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate under the caption “Bank Prime Loan,” or if not so published prior to 3:00 p.m., New York City time, on the applicable Calculation Date pertaining to such Prime Interest Determination Date, then the Prime Rate will be determined by the Calculation Agent as the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Screen US PRIME 1 Page (as defined below) as the particular bank’s prime rate or base lending rate as of 11:00 a.m., New York City time, on the applicable Prime Interest Determination Date. If fewer than four such rates are so published by 3:00 p.m., New York City time, on the applicable Calculation Date as shown on the Reuters Screen US PRIME 1 Page for the Prime Interest Determination Date, the Prime Rate will be determined by the Calculation Agent as the arithmetic mean of the prime rates or base lending rates quoted on the basis of the actual number of days in the year divided by a 360-day year as of the close of business on the applicable Prime Interest Determination Date by three major banks, which may include an agent of the Company or such agent’s affiliates, in the City of New York selected by the Company. However, if the banks selected by the Company are not quoting as mentioned in the preceding sentence, the Prime Rate will be the Prime Rate in effect on the applicable Prime Interest Determination Date.

“Reuters Screen US PRIME 1 Page” means the display on the Reuter Money 3000 Service or any successor service on the “US PRIME 1 Page” or other page as may replace US PRIME 1 Page on that service for the purpose of displaying prime rates or base lending rates of major United States banks.

Determination of Treasury Rate. If the Interest Rate Basis, as specified above, is, or is calculated by reference to the Treasury Rate, unless otherwise specified above, the “Treasury Rate” for each Interest Reset Date will be the rate from the auction held on the applicable Interest Determination Date (the “Auction”) of direct obligations of the United States (“Treasury Bills”) having the Index Maturity, as specified above, as published under the caption “INVESTMENT RATE” on the display on Reuters, Inc. or any successor or similar service on page USAUCTION 10 or any other page as may replace page USAUCTION 10 on that service (“Reuters Page USAUCTION 10”) or page USAUCTION 11 on that service (“Reuters Page USAUCTION 11”), or, if the rate is not so published by 3:00 p.m., New York City time, on the applicable Calculation Date pertaining to such Treasury Rate Determination Date (as defined below), the Bond Equivalent Yield of the rate for the applicable Treasury Bills as published in H.15 Daily Update, or other recognized electronic source used for the purpose of displaying the applicable rate, under the caption “U.S. Government Securities/Treasury Bills/Auction High,” or, if the rate is not so published by 3:00 p.m., New York City time, on the applicable Calculation Date pertaining to such Treasury Rate Determination Date, the Bond Equivalent Yield of the auction rate of the applicable Treasury Bills announced by the United States Department of the Treasury, or, if the rate is not announced by the United States Department of the Treasury, or if the Auction is not held, the Bond Equivalent Yield of the rate on the applicable Treasury Rate Determination Date of Treasury Bills having the Index Maturity specified above, published in H.15(519) under the caption “U.S. Government Securities/Treasury Bills/Secondary Market,” or, if the rate is not so published by 3:00 p.m., New York City time, on the applicable Calculation Date pertaining to such Treasury Rate Determination Date, the rate on the applicable Treasury Rate Determination Date of the applicable Treasury Bills as published in H.15 Daily Update, or other recognized electronic source used for the purpose of displaying the applicable rate, under the caption “U.S. Government Securities/Treasury Bills/Secondary Market.” In the event that the results of the auction of Treasury Bills having the applicable Index Maturity specified above are not published or reported, as provided above, by 3:00 p.m., New York City time, on the applicable Calculation Date or if no such auction is held on such Treasury Rate Determination Date, then the Treasury Rate on the applicable Treasury Rate Determination Date shall be calculated by the Calculation Agent and shall be the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 p.m., New York City time, on the applicable Treasury Rate Determination Date, of three primary United States government securities dealers, which may include the agent or its affiliates, selected by the Company, for the issue of Treasury Bills with a remaining maturity closest to the Index Maturity specified above; *provided, however*, that if the dealers selected as aforesaid by the Company are not quoting as mentioned in this sentence, the Treasury Rate will be the Treasury Rate in effect on the applicable Treasury Rate Determination Date.

The “Treasury Rate Determination Date” for any Interest Reset Date will be the day of the week in which such Interest Reset Date falls on which Treasury Bills would normally be auctioned. Treasury Bills are normally sold at auction on Monday of each week, unless that day is a legal holiday, in which case the auction is normally held on the following Tuesday, except such auction may be held on the preceding Friday. If, as the result of a legal holiday, an auction

is so held on the preceding Friday, such Friday will be the Treasury Rate Determination Date pertaining to the Interest Reset Date occurring in the next succeeding week.

“Bond Equivalent Yield” means a yield calculated in accordance with the following formula and expressed as a percentage:

$$\text{Bond Equivalent Yield} = \frac{\text{DxN}}{360 - (\text{DxM})} \times 10$$

where “D” refers to the applicable per annum rate for Treasury Bills quoted on a bank discount basis and expressed as a decimal; “N” refers to 365 or 366, as the case may be, and “M” refers to the actual number of days in the interest period for which interest is being calculated.

Provisions Applicable To Both Fixed Rate Notes And Floating Rate Notes:

The interest so payable on any Interest Payment Date will, subject to certain exceptions in the Indenture hereinafter referred to, be paid to the person in whose name this Note is registered at the close of business on the Regular Record Date (as defined below) immediately preceding such Interest Payment Date or, if the Interest Payment Date is the Maturity Date or the date of earlier redemption or repayment, to the person in whose name this Note is registered at the close of business on the Maturity Date or such earlier date of redemption or repayment; *provided, however*, that if the Original Issue Date is between a Regular Record Date and an Interest Payment Date or on an Interest Payment Date, interest for the period from and including the Original Issue Date to, but excluding, the Interest Payment Date relating to such Regular Record Date shall be paid on the next succeeding Interest Payment Date to the person in whose name this Note is registered on the close of business on the Regular Record Date preceding such Interest Payment Date. If this Note bears interest at a Fixed Rate, as specified above, unless otherwise specified above, the “Regular Record Date” with respect to any Interest Payment Date shall be the 28th day of February and the 31st day of August, whether or not a Business Day, immediately preceding the related Interest Payment Date. If this Note bears interest at a Floating Rate, as specified above, the “Regular Record Date” with respect to any Interest Payment Date shall be the fifteenth calendar day next preceding such Interest Payment Date, whether or not such date shall be a Business Day.

Payment of principal, premium, if any, and interest in respect of this Note due on the Maturity Date or any earlier redemption or repayment date will be made in immediately available funds upon presentation and surrender of this Note; *provided, however*, that if a Specified Currency is specified above and such payment is to be made in such Specified Currency in accordance with the provisions set forth below, such payment will be made by wire transfer of immediately available funds to an account with a bank designated by the Holder hereof at least 15 calendar days prior to the Maturity Date or such earlier redemption or repayment date, as the case may be, *provided that* such bank has appropriate facilities therefor and that this Note is presented and surrendered at the Place of Payment specified above in time for the Trustee to make such payment in such funds in accordance with its normal procedures. Payment of interest due on any Interest Payment Date, other than the Maturity Date or any earlier redemption or repayment date, will be made at the Place of Payment specified above.

Whenever in this Note or in the Indenture there is a reference, in any context, to the payment of the principal of, or interest, if any, on, or in respect of, the Notes, such payment shall be deemed to include the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect of such payment pursuant to the provisions hereof or thereof and express mention of the payment of Additional Amounts (if applicable) in any provision hereof or thereof shall not be construed as excluding Additional Amounts in those provisions hereof where such express mention is not made.

The Company is obligated to make payment of principal, premium, if any, and interest in respect of this Note in United States dollars or, if a Specified Currency is indicated above, in such Specified Currency (or, if such Specified Currency is not at the time of such payment legal tender for the payment of public and private debts of the country issuing such currency or, in the case of the Euro, in the member states of the European Union that have adopted the single currency in accordance with the Treaty Establishing the European Community, as amended by the Treaty on European Union, such other currency which is then such legal tender in such country or in the adopting member states of the European Union, as the case may be). If a Specified Currency is specified above, except as otherwise provided below, any such amounts so payable by the Company will be converted by a New York clearing house bank designated by the Company (the “Exchange Rate Agent”) into United States dollars for payment to the Holder of this Note.

If a Specified Currency is specified above, the Holder of this Note may elect to receive any amount payable hereunder in such Specified Currency. If the Holder of this Note shall not have duly made an election to receive all or a specified portion of any payment of principal, premium, if any, and/or interest in respect of this Note in such Specified Currency, any United States dollar amount to be received by the Holder of this Note will be based on the highest bid quotation in the City of New York received by the Exchange Rate Agent at approximately 11:00 a.m., New York City time, on the second Business Day preceding the applicable payment date from three recognized foreign exchange dealers (one of whom may be the Exchange Rate Agent) selected by the Exchange Rate Agent and approved by the Company for the purchase by the quoting dealer of the Specified Currency for United States dollars for settlement on such payment date in the aggregate amount of the Specified Currency payable to all Holders of Notes scheduled to receive United States dollar payments and at which the applicable dealer commits to execute a contract. All currency exchange costs will be borne by the Holder of this Note by deductions from such payments. If three such bid quotations are not available, payments on this Note will be made in the Specified Currency.

If a Specified Currency is specified above, the Holder of this Note may elect to receive all or a specified portion of any payment of principal, premium, if any, and/or interest in respect of this Note in such Specified Currency by submitting a written request for such payment to the Trustee at the Place of Payment on or prior to the applicable Record Date or at least 15 calendar days prior to the Maturity Date (or any earlier redemption or repayment date), as the case may be. Such written request may be mailed or hand delivered or sent by facsimile transmission. The Holder of this Note may elect to receive all or a specified portion of all future payments in the Specified Currency in respect of such principal, premium, if any, and/or interest and need not file a separate election for each payment. Such election will remain in effect until revoked by written notice to the Trustee, but written notice of any such revocation must be received by the Trustee

on or prior to the applicable Record Date or at least 15 calendar days prior to the Maturity Date (or any earlier redemption or repayment date), as the case may be.

If a Specified Currency is specified above and the Holder of this Note shall have duly made an election to receive all or a specified portion of any payment of principal, premium, if any, and/or interest in respect of this Note in such Specified Currency, but such Specified Currency is not available for such payment due to the imposition of exchange controls or other circumstances beyond the control of the Company, the Company will be entitled to satisfy its obligations to the Holder of this Note by making such payment in United States dollars on the basis of the Market Exchange Rate (as defined below) determined by the Exchange Rate Agent on the second Business Day prior to such payment date or, if such Market Exchange Rate is not then available, on the basis of the most recently available Market Exchange Rate on or before the date on which such payment is due. The “Market Exchange Rate” for the Specified Currency means the noon dollar buying rate in the City of New York for cable transfers of the Specified Currency as certified for customs purposes (or, if not so certified, as otherwise determined) by the Federal Reserve Bank of New York. Any payment made in United States dollars under such circumstances shall not constitute an Event of Default (as defined in the Indenture).

All determinations referred to above made by the Exchange Rate Agent shall be at its sole discretion and shall, in the absence of manifest error, be conclusive for all purposes and binding on the Holder of this Note.

In case an Event of Default (as defined in the Indenture) with respect to Notes of this series shall occur and be continuing, the principal amount (or, if the Note is an Original Issue Discount Note, such lesser portion of the principal amount as may be applicable) of the Notes of this series may be declared due and payable, and, with respect to certain Events of Default, shall automatically become due and payable, in each case in the manner and with the effect provided in the Indenture. If this Note is an Original Issue Discount Note, in the event of an acceleration of the Maturity Date hereof, the amount payable to the Holder of this Note upon such acceleration will be determined by this Note but will be an amount less than the amount payable at the Maturity Date of this Note.

The Indenture permits, with certain exceptions as therein provided, the modification of the rights and obligations of the Company and the Guarantor and the rights of the Holders of the Debt Securities (as defined in the Indenture) of each series to be affected by such modification under the Indenture at any time by the Company and the Guarantor with the consent of the holders of not less than a majority in aggregate principal amount of the Outstanding Debt Securities (as defined in the Indenture) of each series to be affected by such modification. The Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the Outstanding Debt Securities of each series, on behalf of the Holders of all Debt Securities of such series, to waive compliance by the Company and the Guarantor with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences.

This Note is issuable only in registered form without coupons in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof or other Authorized Denomination specified above.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Note may be registered in the Debt Security Register (as defined in the Indenture) of this series upon surrender of this Note for registration of transfer at the Place of Payment specified above, duly endorsed by or accompanied by, a written instrument of transfer in form satisfactory to the Company and the Trustee, duly executed by the Holder hereof or his attorney duly authorized in writing, and thereupon a new Note or Notes of this series of Authorized Denomination and for the same aggregate principal amount, with the Guarantee endorsed thereon, will be issued to the designated transferee or transferees.

No service charge shall be made for any such registration of transfer, exchange or redemption of the Notes, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Trustee, and any agent of the Company or the Trustee may treat the person in whose name this Note is registered in the Debt Security Register as the owner of this Note for all purposes (other than for the determination of any Additional Amounts payable) and neither the Company nor the Trustee nor any such agent shall be affected by any notice to the contrary.

Prior to February 10, 2028 (one month prior to their maturity date) (the "Par Call Date"), the Company may redeem the Notes at its option, in whole or in part, at any time and from time to time, at a redemption price (expressed as a percentage of principal amount and rounded to three decimal places) equal to the greater of:

- the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the redemption date (assuming the Notes matured on the Par Call Date) on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 35 basis points less (b) interest accrued to the date of redemption, and
- 100% of the principal amount of the Notes to be redeemed, plus, in either case, accrued and unpaid interest thereon to the redemption date.

On or after the Par Call Date, the Company may redeem the Notes, in whole or in part, at any time and from time to time, at a redemption price equal to 100% of the principal amount of the Notes being redeemed plus accrued and unpaid interest thereon to the redemption date.

If any redemption date falls on a day that is not a Business Day, the related payment of the redemption price and interest will be made on the next Business Day as if it were made on the date such payment was due, and no interest will accrue on the amounts so payable for the period from and after such date to the next Business Day. "Treasury Rate" means, with respect to any redemption date, the yield determined by the Company in accordance with the following two paragraphs.

The Treasury Rate shall be determined by the Company after 4:15 p.m., New York City time (or after such time as yields on U.S. government securities are posted daily by the Board of Governors of the Federal Reserve System), on the third business day preceding the redemption date based upon the yield or yields for the most recent day that appear after such time on such day in the most recent statistical release published by the Board of Governors of the Federal

Reserve System designated as “Selected Interest Rates (Daily) - H.15” (or any successor designation or publication) (“H.15”) under the caption “U.S. government securities–Treasury constant maturities–Nominal” (or any successor caption or heading) (“H.15 TCM”). In determining the Treasury Rate, the Company shall select, as applicable: (1) the yield for the Treasury constant maturity on H.15 exactly equal to the period from the redemption date to the Par Call Date (the “Remaining Life”); or (2) if there is no such Treasury constant maturity on H.15 exactly equal to the Remaining Life, the two yields – one yield corresponding to the Treasury constant maturity on H.15 immediately shorter than and one yield corresponding to the Treasury constant maturity on H.15 immediately longer than the Remaining Life – and shall interpolate to the Par Call Date on a straight-line basis (using the actual number of days) using such yields and rounding the result to three decimal places; or (3) if there is no such Treasury constant maturity on H.15 shorter than or longer than the Remaining Life, the yield for the single Treasury constant maturity on H.15 closest to the Remaining Life. For purposes of this paragraph, the applicable Treasury constant maturity or maturities on H.15 shall be deemed to have a maturity date equal to the relevant number of months or years, as applicable, of such Treasury constant maturity from the redemption date.

If on the third Business Day preceding the redemption date H.15 TCM is no longer published, the Company shall calculate the Treasury Rate based on the rate per annum equal to the semi-annual equivalent yield to maturity at 11:00 a.m., New York City time, on the second Business Day preceding such redemption date of the United States Treasury security maturing on, or with a maturity that is closest to, the Par Call Date, as applicable. If there is no United States Treasury security maturing on the Par Call Date but there are two or more United States Treasury securities with a maturity date equally distant from the Par Call Date, one with a maturity date preceding the Par Call Date and one with a maturity date following the Par Call Date, the Company shall select the United States Treasury security with a maturity date preceding the Par Call Date. If there are two or more United States Treasury securities maturing on the Par Call Date or two or more United States Treasury securities meeting the criteria of the preceding sentence, the Company shall select from among these two or more United States Treasury securities the United States Treasury security that is trading closest to par based upon the average of the bid and asked prices for such United States Treasury securities at 11:00 a.m., New York City time. In determining the Treasury Rate in accordance with the terms of this paragraph, the semi-annual yield to maturity of the applicable United States Treasury security shall be based upon the average of the bid and asked prices (expressed as a percentage of principal amount) at 11:00 a.m., New York City time, of such United States Treasury security, and rounded to three decimal places.

The Company’s actions and determinations in determining the redemption price shall be conclusive and binding for all purposes, absent manifest error. The Trustee shall have no responsibility in calculating the redemption price.

Notice of any redemption will be mailed or electronically delivered (or otherwise transmitted in accordance with the Depository’s procedures) at least 10 days but not more than 60 days before the redemption date to the Holder hereof in accordance with Section 15.03 of the Indenture, except that redemption notices may be provided more than 60 days prior to the redemption date if the notice is issued in connection with the defeasance or discharge of the Notes and/or the Indenture. Notwithstanding anything to the contrary in the foregoing, notice of any redemption to the Holder hereof may, in the Company’s discretion, be subject to one or more

conditions precedent, including completion of a corporate transaction. In such event, the related notice of redemption will describe each such condition and, if applicable, will state that, in the Company's discretion, the date of redemption may be delayed until such time as any or all such conditions shall be satisfied or waived, or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied or waived by the date of redemption, or by the date of redemption as so delayed.

In the case of a partial redemption, selection of the Notes for redemption will be made pro rata, by lot or by such other method as the Trustee in its sole discretion deems appropriate and fair. No Notes of a principal amount of \$2,000 or less will be redeemed in part. If any Note is to be redeemed in part only, the notice of redemption that relates to the Note will state the portion of the principal amount of the Note to be redeemed. A new Note in a principal amount equal to the unredeemed portion of the Note will be issued in the name of the Holder upon surrender for cancellation of the original Note. For so long as the Notes are held by the Depository, the redemption of the Notes shall be done in accordance with the policies and procedures of the Depository.

Unless the Company defaults in the payment of the redemption price on and after the redemption date, interest will cease to accrue on the principal amount of this Note called for redemption.

This Note will not be subject to, or have the benefit of, any sinking fund.

Subject to Article Thirteen of the Indenture, if an HDI Change of Control Triggering Event (as defined below) occurs, unless the Company has exercised its option to redeem this Note as described above, the Company will be required to make an offer (the "Change of Control Offer") to each Holder of the Notes to repurchase all or any part (equal to \$2,000 or an integral multiple of \$1,000 in excess thereof) of such Holder's Notes on the terms set forth herein. In the Change of Control Offer, the Company will be required to offer payment in cash equal to 101% of the aggregate principal amount of Notes repurchased, plus accrued and unpaid interest, if any, on the Notes repurchased to, but excluding, the date of repurchase (the "Change of Control Payment").

Subject to Article Thirteen of the Indenture, within 30 days following any HDI Change of Control Triggering Event or, at the Company's option, prior to any HDI Change of Control (as defined below), but after public announcement by HDI (as defined below) of the transaction that constitutes, or would constitute upon consummation thereof, an HDI Change of Control, a notice will be delivered to Holders of the Notes describing the transaction that constitutes, or would constitute upon consummation thereof, the HDI Change of Control Triggering Event and offering to repurchase such Notes on the date specified in the notice. Such date will be no earlier than 10 days and no later than 60 days from the date such notice is delivered, other than as may be required by law (the "Change of Control Payment Date"). The notice will, if delivered prior to the date of consummation of the HDI Change of Control, state that the offer to purchase is conditioned on the HDI Change of Control Triggering Event occurring on or prior to the Change of Control Payment Date.

If any Change of Control Payment Date falls on a day that is not a Business Day, the related payment of the Change of Control Payment will be made on the next Business Day as if it

were made on the date such payment was due, and no interest will accrue on the amounts so payable for the period from and after such date to the next Business Day.

On the Change of Control Payment Date, the Company will, to the extent lawful, (i) accept for payment all Notes or portions of Notes properly tendered and not validly withdrawn pursuant to the Change of Control Offer; (ii) deposit with the paying agent an amount equal to the Change of Control Payment in respect of all such Notes or portions of Notes properly tendered and not validly withdrawn; and (iii) deliver or cause to be delivered to the Trustee such Notes properly accepted together with a Company Officers' Certificate (as defined in the Indenture) stating the aggregate principal amount of such Notes or portions of Notes being repurchased.

The Company will not be required to comply with the obligations relating to repurchasing the Notes if a third-party instead satisfies them.

The Company must comply with the requirements of Rule 14e-1 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and any other securities laws and regulations applicable to the repurchase of the Notes. To the extent that the provisions of any such securities laws or regulations conflict with the Change of Control Offer provisions of the Notes, the Company will comply with those securities laws and regulations and will not be deemed to have breached its obligations under the Change of Control Offer provisions of the Notes by virtue of any such compliance.

If Holders of not less than 95% in aggregate principal amount of the outstanding Notes properly tender and do not validly withdraw such amount of the Notes in a Change of Control Offer, and the Company, or any third-party making an offer to purchase the Notes in connection with an HDI Change of Control Triggering Event in lieu of the Company, purchase such amount of the Notes properly tendered and not validly withdrawn by such Holders, then the Company will have the right, upon notice described above, given not more than 30 days following the Change of Control Payment Date, to redeem all (but not less than all) of the Notes that remain outstanding following such purchase at a redemption price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to, but excluding, the redemption date (subject to the right of Holders of record as of the close of business on the relevant Regular Record Date to receive interest on the applicable Interest Payment Date). If the redemption date falls on a day that is not a Business Day, the related payment of the redemption price and interest will be made on the next Business Day as if it were made on the date such payment was due, and no interest will accrue on the amounts so payable for the period from and after such date to the next Business Day. For purposes of the Change of Control Offer provisions of the Notes, the following terms will be applicable:

"Below Investment Grade Rating Event" means the Notes cease to be rated an Investment Grade Rating by each of the Rating Agencies on any day within the 60-day period after the earlier of (1) the occurrence of an HDI Change of Control and (2) the first public announcement by Harley-Davidson, Inc. ("HDI") of the intention of HDI to effect an HDI Change of Control (which 60-day period will be extended for so long as any of the Rating Agencies has publicly announced that it is considering a possible downgrade of the rating of the notes of such series); *provided that* a Below Investment Grade Rating Event otherwise arising by virtue of a particular reduction in rating shall not be deemed to have occurred in respect of a

particular HDI Change of Control (and thus shall not be deemed a Below Investment Grade Rating Event for purposes of the definition of HDI Change of Control Triggering Event hereunder) if any of the Rating Agencies making the reduction in rating to which this definition would otherwise apply does not announce or publicly confirm or inform the Company in writing at the Company's request that the reduction was the result, in whole or in part, of any event or circumstance comprised of or arising as a result of, or in respect of, the applicable HDI Change of Control (whether or not the applicable HDI Change of Control shall have occurred at the time of the Below Investment Grade Rating Event). The Trustee has no obligation to monitor the ratings of the Notes for purposes of determining the occurrence of a Below Investment Grade Rating Event.

"Fitch" means Fitch Ratings, Inc. and its successors.

"HDI Change of Control" means the occurrence of any of the following: (1) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any "person" (as that term is used in Section 13(d)(3) of the Exchange Act), other than HDI or one of its subsidiaries, becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of the Voting Stock of HDI or other Voting Stock into which the Voting Stock of HDI is reclassified, consolidated, exchanged or changed, measured by voting power rather than number of shares; or

(2) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation or as a pledge for security purposes only), in one or a series of related transactions, of all or substantially all of the assets of HDI and the assets of the subsidiaries of HDI, taken as a whole, to one or more "persons" (as that term is defined in the Indenture), other than HDI or one of its subsidiaries and other than any such transaction or series of related transactions where holders of Voting Stock of HDI outstanding immediately prior thereto hold voting stock of the transferee person representing a majority of the voting power of the transferee person's voting stock immediately after giving effect thereto. Notwithstanding the foregoing, a transaction will not be deemed to be an HDI Change of Control if (1) HDI becomes a direct or indirect wholly-owned subsidiary of a holding company and (2)(A) the direct or indirect holders of the Voting Stock of such holding company immediately following that transaction are substantially the same as the holders of the Voting Stock of HDI immediately prior to that transaction or (B) immediately following that transaction no "person" (as that term is used in Section 13(d)(3) of the Exchange Act) (other than a holding company satisfying the requirements of this sentence) is the beneficial owner, directly or indirectly, of more than 50% of the Voting Stock of such holding company. "HDI Change of Control Triggering Event" means the occurrence of both an HDI Change of Control and a Below Investment Grade Rating Event. Notwithstanding anything to the contrary, no HDI Change of Control Triggering Event will be deemed to have occurred in connection with any particular HDI Change of Control unless and until such HDI Change of Control has actually been consummated.

"Investment Grade Rating" means a rating equal to or higher than Baa3 by Moody's (or its equivalent under any successor rating category of Moody's), BBB- by S&P (or its equivalent under any successor rating category of S&P) and BBB- by Fitch (or its equivalent under any successor rating category of Fitch), and the equivalent investment grade credit rating from any replacement Rating Agency or Rating Agencies selected by the Company.

“Moody’s” means Moody’s Investors Service, Inc., a subsidiary of Moody’s Corporation, and its successors.

“Rating Agencies” means (1) each of Moody’s, S&P and Fitch, and (2) if any of Moody’s, S&P or Fitch (or in each case any replacement thereof appointed pursuant to this definition) ceases to rate the Notes or fails to make a rating of the Notes publicly available for reasons outside of the Company’s control, a “nationally recognized statistical rating organization” as defined under Section 3(a)(62) of the Exchange Act selected by the Company as a replacement agency for Moody’s, S&P and/or Fitch, as the case may be; *provided that* the Company shall give notice of any such replacement to the Trustee.

“S&P” means S&P Global Ratings, a division of S&P Global Inc. and its successors. “Voting Stock” means, with respect to any specified “person” (as that term is used in Section 13(d)(3) of the Exchange Act), as of any date, the capital stock of such person that is at the time entitled to vote generally in the election of the board of directors of such person.

In lieu of Section 5.05 of the Indenture, the following covenant shall apply:

Limitation on Liens. The Company and the Guarantor will not, nor will they permit any Subsidiary (as defined in the Indenture) of the Company or the Guarantor to, issue or assume any Indebtedness (as defined in the Indenture) secured by a Lien (as defined in the Indenture) upon any Property (as defined in the Indenture) (now owned or hereinafter acquired) of the Company or the Guarantor or any such Subsidiary without in any such case effectively providing concurrently with the issuance or assumption of any such Indebtedness that the Notes (together with, if the Company or the Guarantor shall so determine, any other Indebtedness of the Company or the Guarantor or any such Subsidiary ranking equally with the Notes then existing or thereafter created) shall be secured equally and ratably with such Indebtedness. The restrictions set forth in the immediately preceding sentence will not, however, apply if the aggregate amount of Indebtedness issued or assumed by the Company, the Guarantor or such Subsidiaries and so secured by Liens, together with all other Indebtedness of the Company, the Guarantor or such Subsidiaries which (if originally issued or assumed at such time) would otherwise be subject to such restrictions, but not including Indebtedness permitted to be secured under clauses (i) through (xv) of the immediately following paragraph, does not at the time such secured Indebtedness is incurred exceed 15% of the applicable Consolidated Net Tangible Assets (as defined in the Indenture).

The restrictions set forth above shall not apply to Indebtedness secured by:

- Liens existing on the date of the original issuance of the Notes;
 - Liens on any Property of any company existing at the time such company becomes a Subsidiary of the Company or the Guarantor, which Liens are not created in contemplation of such company becoming a Subsidiary of the Company or the Guarantor;
 - Liens on any Property existing at the time such Property is acquired by the Company, the Guarantor or a Subsidiary of the Company or the Guarantor, or Liens to secure the
-

payment of all or any part of the purchase price of such Property upon the acquisition of such Property by the Company, the Guarantor or a Subsidiary of the Company or the Guarantor or to secure any Indebtedness incurred prior to, at the time of, or within 180 days after, the later of the date of acquisition of such Property and the date such Property is placed in service, for the purpose of financing all or any part of the purchase price thereof, or Liens to secure any Indebtedness incurred for the purpose of financing the cost to the Company, the Guarantor or a Subsidiary of the Company or the Guarantor of improvements to such acquired Property or to secure any Indebtedness incurred for the purpose of financing all or any part of the purchase price of the cost of construction of the Property subject to such Liens;

- Liens securing any Indebtedness of the Company, a Subsidiary of the Company or the Guarantor owing to the Company, the Guarantor or to another Subsidiary of the Company or the Guarantor;
 - Liens created in connection with a securitization or other asset-based financing;
 - Liens with respect to the payment of taxes, assessments or governmental charges in all cases which are not yet due or which are being contested in good faith;
 - statutory Liens of landlords and Liens of suppliers, mechanics, carriers, materialmen, warehousemen or workmen and other similar Liens imposed by law created in the ordinary course of business for amounts not yet due or which are being contested in good faith;
 - Liens incurred or deposits made in the ordinary course of business in connection with worker's compensation, unemployment insurance or other types of social security benefits or to secure the performance of bids, tenders, sales, contracts (other than for the repayment of borrowed money), surety, appeal and performance bonds;
 - Liens arising with respect to zoning restrictions, easements, licenses, reservations, covenants, rights-of-way, utility easements, building restrictions and other similar charges or encumbrances on the use of real property which do not interfere with the ordinary conduct of the business of the Company, the Guarantor or any of their respective Subsidiaries;
 - Liens of attachment or judgment with respect to judgments, writs or warrants of attachment, or similar process against the Company, the Guarantor or any of their respective Subsidiaries;
 - Liens arising from leases, subleases or licenses granted to others which do not interfere in any material respect with the business of the Company, the Guarantor or any of their respective Subsidiaries;
 - any interest or title of the lessor in the Property subject to any operating lease (as determined in accordance with GAAP as in effect as of December 1, 2018), entered into by the Company, the Guarantor or any of their respective Subsidiaries in the ordinary course of business;
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- Liens, if any, in connection with any sale/leaseback transaction;
- Liens on assets pledged in respect of Indebtedness that has been redeemed, defeased and/or discharged in accordance with the provisions thereof through the deposit of cash, cash equivalents or marketable securities (it being understood that cash collateral shall be deemed to include cash deposited with a trustee with respect to third party indebtedness); and
- any extension, renewal or replacement (or successive extensions, renewals or replacements) in whole or in part of any Lien referred to in the foregoing clauses (i) - (xiv); provided, however, that such new Lien is limited to the Property (or type of Property) which was subject to the prior Lien immediately before such extension, renewal or replacement, and provided, further, that the principal amount of Indebtedness secured by the prior Lien immediately before such extension, renewal or replacement is not increased.

In lieu of Section 7.01(f) and Section 7.01(i) of the Indenture, each of the following, respectively, shall constitute an Event of Default with respect to the Notes:

(f) any event of default by the Company, the Guarantor or any of their respective Subsidiaries as defined in any mortgage, indenture or instrument under which there may be issued, or by which there may be secured or evidenced, any Indebtedness of the Company, the Guarantor or any of their respective Subsidiaries, as the case may be, whether such Indebtedness now exists or shall hereafter be created, resulting in such Indebtedness in a principal amount of at least \$150,000,000 becoming or being declared due and payable prior to the date on which it would otherwise become due and payable, and such acceleration shall not be rescinded or annulled within a period of 30 days after there has been given, by overnight courier, registered or certified mail, to the Company and the Guarantor by the Trustee or to the Company, the Guarantor and the Trustee by the Holders of at least 25% in aggregate principal amount of the outstanding Notes a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a “Notice of Default” under the Indenture; and

(i) final judgment of money in excess of \$150,000,000 (not covered by third-party insurance), singularly or in the aggregate, shall be rendered against the Company or the Guarantor or any of their respective Material Subsidiaries (as defined in the Indenture) and shall remain undischarged and unstayed for a period (during which execution shall not be effectively stayed) of 60 days after such judgment becomes final.

The Company may “reopen” a previously issued tranche of Notes and issue additional Notes of such tranche or establish additional terms of such tranche or issue notes with the same terms as previously issued Notes (except for the Original Issue Date, Issue Price and, if applicable, the initial Interest Payment Date).

The Company may at any time purchase this Note at any price in the open market or otherwise. Notes so purchased by the Company may be held or resold or, at the discretion of the Company, may be surrendered to the Trustee for cancellation.

For the avoidance of doubt, Article Thirteen of the Indenture shall apply to the Notes.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligations of the Company and the Guarantor, which are absolute and unconditional, to pay the principal of, premium, if any, and interest on this Note, at the times, place and rate, and in the coin or currency, herein and in the Indenture prescribed.

This Note shall be governed by and construed in accordance with the laws of the State of New York.

By acceptance of this Note, the Holder hereof agrees to be bound by the provisions of the Indenture. Terms used herein which are defined in the Indenture shall have the respective meanings assigned thereto in the Indenture. Facsimile signatures for the purposes of the Indenture are intended to include electronic signatures (including DocuSign). This Note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by or on behalf of the Trustee under the Indenture.

None of the Trustee, the paying agent or the Calculation Agent shall be under any obligation (i) to monitor, determine or verify the unavailability or cessation of any benchmark or floating rate note index, or whether or when there has occurred, or to give notice to any other transaction party of the occurrence of, any benchmark transition event or related benchmark replacement date, (ii) to select, determine or designate any benchmark replacement, or other successor or replacement benchmark index or basis, or whether any conditions to the designation of such a rate or index have been satisfied, or (iii) to select, determine or designate any benchmark replacement adjustment, or other modifier to any replacement or successor index, or (iv) to determine whether or what benchmark replacement conforming changes are necessary or advisable, if any, in connection with any of the foregoing, including, but not limited to, adjustments as to any alternative spread thereon, the business day convention, interest determination dates or any other relevant methodology applicable to such substitute or successor benchmark. In connection with the foregoing, each of the Trustee, paying agent and Calculation Agent shall be entitled to conclusively rely on any determinations made by the Company or its designee without independent investigation, and none will have any liability for actions taken at the Company's direction in connection therewith.

None of the Trustee, the paying agent or the Calculation Agent shall be liable for any inability, failure or delay on its part to perform any of its duties set forth herein as a result of the unavailability of any benchmark or index or other applicable benchmark replacement, including as a result of any failure, inability, delay, error or inaccuracy on the part of any other transaction party in providing any direction, instruction, notice or information required or contemplated by the terms hereof and reasonably required for the performance of such duties. None of the Trustee, the paying agent or the Calculation Agent shall be responsible or liable for the Company's actions or omissions or for those of the Company's designee, or for any failure or delay in the performance by the Company or its designee, nor shall any of the Trustee, paying agent or Calculation Agent be under any obligation to oversee or monitor the Company's performance or that of its designee.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed, manually or by facsimile by an authorized signatory.

HARLEY-DAVIDSON FINANCIAL SERVICES, INC.

By:
Name:
Title:

By:
Name:
Title:

Dated: March 10, 2023

TRUSTEE’S CERTIFICATE OF AUTHENTICATION

This is one of the Debt Securities of the series designated herein and referred to in the within-mentioned Indenture.

CITIBANK, N.A.,
as Trustee

By: Authorized Signatory

GUARANTEE

For value received, undersigned hereby fully, irrevocably and unconditionally guarantees, pursuant to the terms of the Guarantee contained in Article Sixteen of the Indenture, to the Holder of this Note and to the Trustee, on behalf of the Holder, the due and punctual payment of the principal of, and any premium, interest and any Additional Amounts on, this Note, when and as the same shall become due and payable, whether at the stated maturity, by declaration of acceleration, call for redemption or otherwise, in accordance with the terms of this Note and the Indenture. This Guarantee will not be valid or obligatory for any purpose until the Trustee duly executes the certificate of authentication on the Note upon which this Guarantee is endorsed.

Dated: March 10, 2023
HARLEY-DAVIDSON CREDIT CORP.,
a Nevada corporation

By:
Name:
Title:

Attest:
By: _____
Name:
Title:

ABBREVIATIONS

The following abbreviations, when used in the inscription on this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

- TEN COM - as tenants in common
- TENENT - as tenants by the entirety
- JT TEN - as joint tenants with survivorship and not as tenant in common
- UNIF GIFT MIN ACT - Custodian (Cust) (Minor)
under Uniform Gifts to Minors Act

(State)

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto: (Please insert social security or other identifying number of assignee)

(Name and address of assignee, including zip code, must be printed or typewritten)

the within Note, and all rights thereunder, hereby irrevocably constituting and appointing attorney to transfer said Note on the books of the within Company, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the within particular, without alteration or enlargement or any change whatever and must be guaranteed.

SIGNATURE(S) GUARANTEED:

THE SIGNATURE(S) SHOULD BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION (BANKS, STOCKBROKERS, SAVINGS AND LOAN ASSOCIATIONS AND CREDIT UNIONS WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM) PURSUANT TO SEC RULE 17Ad-15.

SCHEDULE OF INCREASES OR DECREASES IN GLOBAL NOTE

Date of Exchange	Amount of increase in Principal Amount of this Global No	Amount of decrease in Principal Amount of this Global	Principal Amount of this Global Note following each decrease or increase	Signature of authorized signatory of Trustee
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HARLEY-DAVIDSON FINANCIAL SERVICES, INC.
6.50% MEDIUM-TERM NOTES DUE 2028

Fully and Unconditionally Guaranteed by Harley-Davidson Credit Corp.

THIS SECURITY IS A GLOBAL DEBT SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITORY (AS DEFINED IN THE INDENTURE) OR A NOMINEE THEREOF. THIS GLOBAL DEBT SECURITY IS EXCHANGEABLE FOR SECURITIES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITORY OR ITS NOMINEE ONLY IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE AND, UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR SECURITIES IN DEFINITIVE FORM, THIS GLOBAL DEBT SECURITY MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITORY TO A NOMINEE OF THE DEPOSITORY, OR BY A NOMINEE OF THE DEPOSITORY TO THE DEPOSITORY OR ANOTHER NOMINEE OF THE DEPOSITORY, OR BY THE DEPOSITORY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITORY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITORY.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) (“DTC”), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”) OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION, AND, ACCORDINGLY, NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ANY OTHER APPLICABLE JURISDICTION. BY ITS ACCEPTANCE HEREOF, THE HOLDER OF THIS SECURITY OR ANY INTEREST OR PARTICIPATION HEREIN (1) REPRESENTS THAT (A) IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT), OR (B) IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION WITHIN THE MEANING OF REGULATION S UNDER THE

SECURITIES ACT, AND (2) AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE “RESALE RESTRICTION TERMINATION DATE”) WHICH IS ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE THEREOF WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY) ONLY (A) TO THE COMPANY OR ANY SUBSIDIARY THEREOF, (B) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHICH NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES TO NON-U.S. PERSONS IN OFFSHORE TRANSACTIONS WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT, (E) TO AN ACCREDITED INVESTOR WITHIN THE MEANING OF SUBPARAGRAPH (a)(1), (2), (3) OR (7) OF RULE 501 OF REGULATION D UNDER THE SECURITIES ACT THAT IS ACQUIRING THIS SECURITY OR ANY INTEREST OR PARTICIPATION HEREIN FOR ITS OWN ACCOUNT, OR FOR THE ACCOUNT OF SUCH AN ACCREDITED INVESTOR, FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TO, OR FOR OFFER OR SALE IN CONNECTION WITH, ANY DISTRIBUTION IN VIOLATION OF THE SECURITIES ACT OR (F) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT TO THE COMPANY’S AND THE TRUSTEE’S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER (i) PURSUANT TO CLAUSES (E) OR (F) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM, AND (ii) IN EACH OF THE FOREGOING CASES, TO REQUIRE THAT A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE OTHER SIDE OF THIS SECURITY BE COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE.

THE HOLDER OF THIS SECURITY WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER FROM IT OF THE SECURITY EVIDENCED HEREBY OF THE RESALE RESTRICTIONS SET FORTH ABOVE.

HARLEY-DAVIDSON FINANCIAL SERVICES, INC.
6.50% MEDIUM-TERM NOTES DUE 2028

Fully and Unconditionally Guaranteed by Harley-Davidson Credit Corp.

No. A002 Principal Amount \$163,880,000
CUSIP No. 41284VAC6 as revised by the Schedule of
ISIN US41284VAC63 Increases or Decreases in Global
Common Code No. 259832233 Note attached hereto

Issue Price: 99.681%

Original Issue Date: March 10, 2023

Maturity Date: March 10, 2028

Index Maturity:

☐ Original Issue Discount Note

Total Amount of OID:

Yield to Maturity: %

Initial Accrual Period OID:

☒ Fixed Rate

Interest Rate: 6.500%

☐ Floating Rate

Interest Rate Basis

☐ CD Rate

☐ CMT Rate

☐ CMT Reuters Page FRB

☐ CMT Reuters Page FED

☐ Commercial Paper Rate

Specified Currency (if other than U.S. dollars): N/A

Option To Receive Payments In Specified Currency (non-U.S. dollar denominated Note):
N/A

_____ Federal Funds Rate

_____ Prime Rate

_____ Treasury Rate

_____ Other

Spread (Plus Or Minus):

Spread Multiplier:

Interest Category

☐ Regular Floating Rate Note

☐ Floating Rate/Fixed Rate
Fixed Rate Commencement Date
Fixed Interest Rate: %

☐ Inverse Floating Rate Note

Initial Interest Reset Date:

Interest Reset Dates:

Interest Payment Dates (in the case of a Floating Rate Note and, in the case of a Fixed Rate Note, other than as set forth below): N/A

Regular Record Dates (if other than as set forth below): N/A

Interest Determination Dates (if other than as set forth below): N/A

Additional Amounts applicable for Company

Authorized Denomination: Minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof

Place of Payment (if other than as s
in the Indenture): N/A

Initial Redemption Date:
Initial Redemption Percentage:
Annual Redemption Percentage Reduction:
Repayment Date:
Renewable: ☐ Yes ☐ No
Extendible: ☐ Yes ☐ No

Final Maturity Date:

Initial Interest Rate:
Maximum Interest Rate:
Minimum Interest Rate:

☐ Yes
☒ No

Additional Amounts applicable for Guarantor

☐ Yes
☒ No

Addendum Attached

☐ Yes
☒ No

Other Provisions:

Authorized Denomination (only if non-U.S. dollar denominated Note): N/A

Calculation Agent (if other than the Trustee): N/A

Interest Payment Period:

Harley-Davidson Financial Services, Inc., a corporation duly organized under the laws of the State of Delaware (herein called the “Company,” which term includes any successor corporation under the Indenture hereinafter referred to), for value received, hereby promises to pay to Cede & Co., or registered assigns, the Principal Amount specified above, as revised by the Schedule of Increases or Decreases in Global Note attached hereto, on the Maturity Date specified above and to pay to the registered holder of this Note (the “Holder”) interest on said Principal Amount at a rate per annum specified above and upon the terms provided below under either the heading “Provisions Applicable to Fixed Rate Notes Only” or “Provisions Applicable to Floating Rate Notes Only.”

This Note is one of the Company’s duly authorized issue of notes in the series titled 6.50% Medium-Term Notes due 2028 (herein referred to as the “Notes”), all issued or to be issued under an indenture, dated as of December 18, 2020 (as may be supplemented from time to time, the “Indenture”), among the Company, Harley-Davidson Credit Corp. (the “Guarantor”) and Citibank, N.A., as trustee (the “Trustee,” which term includes any successor trustee under the Indenture), to which Indenture reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Trustee, the Company, the Guarantor and the Holders of the Notes and of the terms upon which the Notes are, and are to be, authenticated and delivered. The Notes of this series are limited (except as otherwise provided in the Indenture) to the aggregate principal amount established from time to time by the Company’s Board of Directors (as defined in the Indenture). The Notes of this series may be issued at various times with different maturity dates and different principal repayment provisions, may bear interest at different rates and may otherwise vary, all as provided in the Indenture. The Notes of this series may be subject to redemption upon notice and in accordance with the provisions of this Note and the Indenture. The Company and the Guarantor may defease the Notes of this series in accordance with the provisions of the Indenture.

To secure the due and punctual payment of principal, any premium, any interest and Additional Amounts (as defined in the Indenture) on this Note by the Company under the

Indenture, when and as the same shall become due and payable, whether at the Maturity Date, by declaration of acceleration, call for redemption or otherwise, the Guarantor has unconditionally guaranteed this Note pursuant to the terms of the Guarantee endorsed hereon and in Article Sixteen of the Indenture (the “Guarantee”).

As used herein, the term “Business Day” means any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which commercial banks are authorized or required by law, regulation or executive order to close in the City of New York; *provided, however*, that if a Specified Currency is specified above, the day is also not a day on which commercial banks are authorized or required by law, regulation or executive order to close in the Principal Financial Center (as defined below) of the country issuing such Specified Currency or, if such Specified Currency is the Euro, the day is also a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System is open.

“Principal Financial Center” means, unless otherwise provided in this Note, the capital city of the country issuing the Specified Currency; except that with respect to United States dollars, Australian dollars, Canadian dollars, South African rand and Swiss francs, the “Principal Financial Center” will be the City of New York, Sydney and (solely in the case of the Specified Currency) Melbourne, Toronto, Johannesburg and Zurich, respectively.

Provisions Applicable To Fixed Rate Notes Only:

If the “Fixed Rate” line above is checked, unless otherwise specified above, the Company will pay interest semiannually on March 10 and September 10 of each year (each such date fixed for the payment of interest, an “Interest Payment Date”) commencing on September 10, 2023, and ending on the Maturity Date or upon earlier redemption or repayment to the person to whom principal is payable. Interest shall accrue from the Original Issue Date, or from the most recent Interest Payment Date to which interest has been paid or duly provided for on this Note to, but excluding, the next following Interest Payment Date, Maturity Date, or earlier date of redemption or repayment, as the case may be. Interest on Fixed Rate Notes will be computed by the Company on the basis of a 360-day year consisting of twelve 30-day months.

If any Interest Payment Date or the Maturity Date (or the date of earlier redemption or repayment) of this Fixed Rate Note falls on a day that is not a Business Day, the payment will be made on the next Business Day as if it were made on the date such payment was due, and no interest will accrue on the amount so payable for the period from and after such Interest Payment Date or the Maturity Date (or the date of earlier redemption or repayment), as the case may be.

Provisions Applicable To Floating Rate Notes Only:

If the “Floating Rate” line above is checked, the Company will pay interest on the Interest Payment Dates shown specified above at the Initial Interest Rate specified above until the first Interest Reset Date specified above following the Original Issue Date specified above and thereafter at a rate determined in accordance with the provisions hereinafter set forth under the headings “Determination of CD Rate,” “Determination of CMT Rate,” “Determination of

Commercial Paper Rate,” “Determination of Federal Funds Rate,” “Determination of Prime Rate” or “Determination of Treasury Rate,” depending on whether the Interest Rate Basis is the CD Rate, the CMT Rate, the Commercial Paper Rate, the Federal Funds Rate, the Prime Rate, the Treasury Rate or other Interest Rate Basis.

An interest payment shall be the amount of interest accrued from and including the Original Issue Date, or from and including the last Interest Payment Date to which interest has been paid, to, but excluding, the next following Interest Payment Date, Maturity Date, or date of earlier redemption or repayment, as the case may be (an “Interest Period”). Notwithstanding any provision herein to the contrary, the interest rate hereon shall not be greater than the Maximum Interest Rate, if any, or less than the Minimum Interest Rate, if any, specified above.

If any Interest Payment Date for any Floating Rate Note, other than an Interest Payment Date at maturity, would fall on a day that is not a Business Day, such Interest Payment Date will be the following day that is a Business Day, and interest will continue to accrue to the following Business Day. If the Maturity Date (or date of earlier redemption or repayment) of any Floating Rate Note would fall on a day that is not a Business Day, the payment of interest and principal (and premium, if any) may be made on the next succeeding Business Day, and no interest on such payment will accrue for the period from and after the Maturity Date (or the date of earlier redemption or repayment).

Commencing with the first Interest Reset Date specified above following the Original Issue Date, the rate at which interest on this Note is payable shall be adjusted daily, weekly, monthly, quarterly, semi-annually or annually as specified above under “Interest Reset Dates.”

The interest rate borne by this Note will be determined as follows:

- Unless the Interest Category of this Note is specified above as a “Floating Rate/Fixed Rate Note” or an “Inverse Floating Rate Note” or in the event either “Other Provisions” or an Addendum hereto applies, in each case, relating to a different interest rate formula, this Note shall be designated as a “Regular Floating Rate Note” and, except as set forth below or specified above under “Other Provisions” or in an Addendum hereto, shall bear interest at the rate determined by reference to the applicable Interest Rate Basis or Bases (a) plus or minus the applicable Spread, if any, and/or (b) multiplied by the applicable Spread Multiplier, if any; in each case as specified above. Commencing on the Initial Interest Reset Date, the rate at which interest on this Note shall be payable shall be reset as of each Interest Reset Date specified above; *provided, however*, that the interest rate in effect for the period, if any, from the Original Issue Date to the Initial Interest Reset Date shall be the Initial Interest Rate.
 - If the Interest Category of this Note is specified above as a “Floating Rate/Fixed Rate Note” then, except as set forth below or specified above under “Other Provisions” or in an Addendum hereto, this Note shall bear interest at the rate determined by reference to the applicable Interest Rate Basis or Bases (a) plus or minus the applicable Spread, if any, and/or
 - multiplied by the Spread Multiplier, if any, in each case as specified above. Commencing on the Initial Interest Reset Date, the rate at which interest on this Note shall be payable
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shall be reset as of each Interest Reset Date; *provided, however*, that (y) the interest rate in effect for the period, if any, from the Original Issue Date to the Initial Interest Reset Date shall be the Initial Interest Rate and (z) the interest rate in effect for the period commencing on, and including, the Fixed Rate Commencement Date specified above to the Maturity Date (or date of earlier redemption or repayment) shall be the Fixed Interest Rate specified above or, if no Fixed Interest Rate is so specified, the interest rate in effect on the day immediately preceding the Fixed Rate Commencement Date.

- If the Interest Category of this Note is specified above as an “Inverse Floating Rate Note” then, except as set forth below or specified above under “Other Provisions” or in an Addendum hereto, this Note shall bear interest at (a) the Fixed Interest Rate specified above minus (b) the rate determined by reference to the applicable Interest Rate Basis or Bases:
 - plus or minus the applicable Spread, if any, and/or
 - multiplied by the applicable Spread Multiplier, if any, in each case as specified above;

provided, however, that, unless otherwise specified above under “Other Provisions” or in an Addendum hereto, the interest rate hereon shall not be less than zero. Commencing on the Initial Interest Reset Date, the rate at which interest on this Note shall be payable shall be reset on each Interest Reset Date; *provided, however*, that the interest rate in effect for the period, if any, from the Original Issue Date to the Initial Interest Reset Date shall be the Initial Interest Rate set forth above.

The “Spread” is the number of basis points (one basis point equals one-hundredth of a percentage point) specified above to be added to or subtracted from the Interest Rate Basis for a Floating Rate Note, and the “Spread Multiplier” is the percentage specified above by which the Interest Rate Basis for such Floating Rate Note will be multiplied. Both a Spread and/or a Spread Multiplier may be applicable to the Interest Rate Basis for a particular Floating Rate Note, as set forth above.

Each such adjusted Interest Rate Basis shall be applicable on and after the Interest Reset Date to which it relates but not including the next succeeding Interest Reset Date. If any Interest Reset Date is a day that is not a Business Day, such Interest Reset Date shall be postponed to the next day that is a Business Day. In addition, if the Treasury Rate is the applicable Interest Rate Basis and the Interest Determination Date would otherwise fall on an Interest Reset Date, then the Interest Reset Date will be postponed to the next succeeding Business Day. Subject to applicable provisions of law (including usury laws) and except as specified in this Note, on each Interest Reset Date, the rate of interest on this Note shall be the rate determined in accordance with the provisions of the applicable heading below.

With respect to a Floating Rate Note, accrued interest shall be calculated by multiplying the principal amount thereof by an accrued interest factor. Such accrued interest factor will be computed by adding the interest factors calculated for each day in the Interest Period or from the last date from which accrued interest is being calculated. The interest factor for each such day is computed by dividing the interest rate applicable to such day by 360, in the cases of CD Rate Notes, Commercial Paper Rate Notes, Federal Funds Rate Notes and Prime Rate Notes or by the actual number of days in the year, in the cases of CMT Rate Notes and Treasury Rate Notes. The

interest rate applicable to any day that is an Interest Reset Date will be the interest rate effective on such Interest Reset Date. The interest rate applicable to any other day will be the interest rate for the immediately preceding Interest Reset Date (or, if none, the Initial Interest Rate, as specified above).

The “Calculation Date,” where applicable, pertaining to an Interest Determination Date will be the earlier of (i) the tenth calendar day after such Interest Determination Date or, if any such day is not a Business Day, the next succeeding Business Day or (ii) the Business Day preceding the applicable Interest Payment Date or the Maturity Date (or the date of earlier redemption or repayment), as the case may be.

For Floating Rate Notes, Citibank, N.A. shall be the calculation agent unless another calculation agent is specified above (the “Calculation Agent”). As Calculation Agent, Citibank, N.A. shall have all of the rights, protections, immunities and indemnities provided to it as Trustee under the Indenture, unless a calculation agency agreement is entered into, in which case, such agreement would control. The interest rate applicable to each interest period will be determined by the Calculation Agent on or prior to the applicable Calculation Date. At the request of the Holder, the Calculation Agent will provide the interest rate then in effect and, if determined, the interest rate which will become effective on the next Interest Reset Date.

All percentages resulting from any calculation of the rate of interest on a Floating Rate Note will be rounded, if necessary, to the nearest one hundred-thousandth of a percent (.000001), with five one-millionths of a percentage point rounded upward, and all dollar amounts used in or resulting from such calculation on Floating Rate Notes will be rounded to the nearest cent (with one-half cent being rounded upward).

Determination of CD Rate. If the Interest Rate Basis, as specified above, is, or is calculated by reference to, the CD Rate, unless otherwise specified above, the “CD Rate” for each Interest Reset Date will be determined by the Calculation Agent as of the second Business Day prior to such Interest Reset Date (a “CD Interest Determination Date”) and shall be the rate on the applicable CD Interest Determination Date for negotiable United States dollar certificates of deposit having the Index Maturity specified above as published in H.15(519) (as defined below) on such CD Interest Determination Date under the heading “CDs (secondary market).” If the rate referred to in the preceding sentence is not so published by 3:00 p.m., New York City time, on the applicable Calculation Date, the CD Rate shall be the rate on the applicable CD Interest Determination Date for negotiable United States dollar certificates of deposit of the Index Maturity specified above as published in H.15 Daily Update (as defined below), or other recognized electronic source used for the purpose of displaying the applicable rate, under the caption “CDs (secondary market).” If the rate referred to in the preceding sentence is not so published by 3:00 p.m., New York City time, on the applicable Calculation Date, the CD Rate shall be the rate on the applicable CD Interest Determination Date calculated by the Calculation Agent on the Notes as the arithmetic mean of the secondary market offered rates as of 10:00 a.m., New York City time, on the applicable CD Interest Determination Date, of three leading non-bank dealers in negotiable United States dollar certificates of deposit in the City of New York (which may include an agent or its affiliates) selected by the Company for negotiable United States dollar certificates of deposit of major United States money market banks with a remaining maturity closest to the Index Maturity specified above in an amount that is representative for a single transaction in that market at that time. If the dealers selected by the

Company as provided in the preceding sentence are not quoting as mentioned in such sentence, the CD Rate shall be the CD Rate in effect on the applicable CD Interest Determination Date.

“H.15(519)” means the weekly statistical release designated as H.15(519), or any successor publication, published by the Board of Governors of the Federal Reserve System.

“H.15 Daily Update” means the daily update of H.15(519), available through the world- wide-web site of the Board of Governors of the Federal Reserve System at <http://www.federalreserve.gov/releases/h15/update>, or any successor site or publication.

Determination of CMT Rate. If the Interest Rate Basis, as specified above, is, or is calculated by reference to, the CMT Rate, unless otherwise specified above, the “CMT Rate” for each Interest Reset Date will be determined by the Calculation Agent as of the second Business Day prior to such Interest Reset Date (a “CMT Interest Determination Date”) and shall be, if “CMT Reuters Page FRBCMT” is specified above, the percentage equal to the yield for United States Treasury securities at “constant maturity” having the Index Maturity specified above, as the yield is displayed on Reuters, Inc. (or any successor or similar service), on page FRBCMT (or any other page as may replace the specified page on that service under the caption “Treasury Constant Maturities”) (“Reuters Page FRBCMT”). If the rate referred to in the preceding sentence does not appear on Reuters Page FRBCMT, the CMT Rate for such CMT Interest Determination Date will be a percentage equal to the yield for United States Treasury securities at “constant maturity” having the Index Maturity specified above, and for the applicable CMT Interest Determination Date as published in H.15(519) under the caption “Treasury Constant Maturities.” In the event the rate referred to in the preceding sentence does not appear in H.15(519), then the CMT Rate for such CMT Interest Determination Date will be the rate on the applicable CMT Interest Determination Date for the period of the Index Maturity specified above, as may then be published by either the Board of Governors of the Federal Reserve System or the United States Department of the Treasury that the Calculation Agent determines to be comparable to the rate which would otherwise have been published in H.15(519). In the event the rate referred to in the preceding sentence is not published, the CMT Rate on the applicable CMT Interest Determination Date will be calculated by the Calculation Agent as a yield-to-maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 p.m., New York City time, on the applicable CMT Interest Determination Date of three leading primary United States government securities dealers in the City of New York, which may include an agent of the Company or such agent’s affiliates (each a “Reference Dealer”), selected by the Company (from five Reference Dealers selected by the Company and eliminating the highest quotation (or, in the event of equality, one of the highest), and the lowest quotation (or, in the event of equality, one of the lowest)), for United States Treasury securities with an original maturity equal to the Index Maturity specified above, a remaining term to maturity no more than one year shorter than the Index Maturity specified above and in a principal amount that is representative for a single transaction in the securities in the market at that time. If fewer than five but more than two of the prices referred to in the above sentence are provided as requested, the CMT Rate on the applicable CMT Interest Determination Date will be calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained, and neither the highest nor the lowest of the quotations shall be eliminated; *provided, however*, that if fewer than three prices referred to above are provided as requested, the CMT Rate on the applicable CMT Interest Determination Date will be calculated by the Calculation Agent as a yield-to-maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 p.m.,

New York City time, on the applicable CMT Interest Determination Date of three Reference Dealers selected by the Company from five Reference Dealers selected by the Company and eliminating the highest quotation or, in the event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity greater than the Index Maturity specified above, and a remaining term to maturity closest to the Index Maturity specified above, and in a principal amount that is representative for a single transaction in the securities in the market at that time. However, if fewer than five but more than two prices referred to above are provided as requested, the CMT Rate on the applicable CMT Interest Determination Date will be calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained, and neither the highest nor the lowest of the quotations will be eliminated. If fewer than three prices referred to above are provided as requested, the CMT Rate on the applicable CMT Interest Determination Date will be the CMT Rate in effect on the applicable CMT Interest Determination Date. If the CMT Reuters Page FEDCMT is specified above, the CMT Rate for such CMT Interest Determination Date will be a percentage equal to the one-week or one-month, as specified above, and will be the average yield for United States Treasury securities at “constant maturity” having the Index Maturity specified above, as the yield is displayed on Reuters, Inc. (or any successor service) on page FEDCMT (or any other page as may replace that specified page on that service) (“Reuters Page FEDCMT”), for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the related CMT Interest Determination Date falls. If the rate referred to in the preceding sentence does not appear on Reuters Page FEDCMT, then the CMT Rate for such CMT Interest Determination Date will be a percentage equal to the one-week or one-month, as specified above, average yield for United States Treasury securities at “constant maturity” having the Index Maturity specified above, and for the week or month, as applicable, preceding the applicable CMT Interest Determination Date as published in H.15(519) opposite the caption “Treasury Constant Maturities.” If the rate referred to in the preceding sentence does not appear in H.15(519), then the CMT Rate for such CMT Interest Determination Date will be the one-week or one-month, as specified above, average yield for United States Treasury securities at “constant maturity” having the Index Maturity specified above, as otherwise announced by the Federal Reserve Bank of New York for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the related CMT Interest Determination Date falls. If the Federal Reserve Bank of New York does not publish the rate referred to above, the rate on the applicable CMT Interest Determination Date will be calculated by the Calculation Agent as a yield-to-maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 p.m., New York City time, on the applicable CMT Interest Determination Date of three Reference Dealers selected by the Company (from five Reference Dealers selected by the Company and eliminating the highest quotation (or, in the event of equality, one of the highest), and the lowest quotation (or, in the event of equality, one of the lowest)), for United States Treasury securities with an original maturity equal to the Index maturity specified above, and a remaining term to maturity no more than one year shorter than the Index Maturity specified above, and in a principal amount that is representative for a single transaction in the securities in the market at that time. If fewer than five but more than two of the prices referred to above are provided as requested, the rate on the applicable CMT Interest Determination Date will be calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained, and neither the highest nor the lowest of the quotations shall be eliminated. If fewer than three prices referred to above are provided as requested, the rate on the applicable CMT Interest Determination Date will be calculated by the Calculation Agent as a yield-to-maturity based on the arithmetic mean of the secondary market bid prices as of

approximately 3:30 p.m., New York City time, on the applicable CMT Interest Determination Date of three Reference Dealers selected by the Company (from five Reference Dealers selected by the Company and eliminating the highest quotation or (in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest)), for United States Treasury securities with an original maturity greater than the Index Maturity specified above, and a remaining term to maturity closest to the Index Maturity specified above and will be in a principal amount that is representative for a single transaction in the securities in the market at that time. If fewer than five but more than two prices referred to above are provided as requested, the rate will be calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained, and neither the highest nor the lowest of the quotations will be eliminated, or if fewer than three prices referred to above are provided as requested, the CMT Rate will be the CMT Rate in effect on the applicable CMT Interest Determination Date. If two United States Treasury securities with an original maturity greater than the Index Maturity as specified above have remaining terms to maturity equally close to the Index Maturity specified above, the quotes for the United States Treasury security with the shorter original remaining term to maturity will be used.

Determination of Commercial Paper Rate. If the Interest Rate Basis, as specified above, is, or is calculated by reference to, the Commercial Paper Rate, unless otherwise specified above, the “Commercial Paper Rate” for each Interest Reset Date will be determined by the Calculation Agent as of the second Business Day prior to such Interest Reset Date (a “Commercial Paper Interest Determination Date”) and shall be the Money Market Yield (as defined below) on such date of the rate for commercial paper having the Index Maturity as indicated above, as such rate shall be published in H.15(519) under the caption “Commercial Paper-Nonfinancial.” In the event that such rate is not published prior to 3:00 p.m., New York City time, on the applicable Calculation Date, then the Commercial Paper Rate shall be calculated by the Calculation Agent as the Money Market Yield of the Commercial Paper Rate on the applicable Commercial Paper Interest Determination Date for commercial paper having the Index Maturity specified above, published in H.15 Daily Update, or other recognized electronic source used for the purpose of displaying the applicable rate, under the caption “Commercial Paper-Nonfinancial.” If by 3:00 p.m., New York City time, on the applicable Calculation Date, such rate is not yet published as provided in the preceding sentence, then the Commercial Paper Rate on the applicable Commercial Paper Interest Determination Date shall be calculated by the Calculation Agent as the Money Market Yield of the arithmetic mean of the offered rates at approximately 11:00 a.m., New York City time, on the applicable Commercial Paper Interest Determination Date of three leading dealers of United States dollar commercial paper in the City of New York, which may include an agent of the Company or such agent’s affiliates, selected by the Calculation Agent for commercial paper having the Index Maturity specified above, placed for industrial issuers whose bond rating is “Aa,” or the equivalent, from a nationally recognized statistical rating organization; *provided, however*, that if the dealers selected as aforesaid by the Company are not quoting offered rates as mentioned in this sentence, the Commercial Paper Rate will be the Commercial Paper Rate in effect on the applicable Commercial Paper Interest Determination Date.

“Money Market Yield” shall be a yield calculated in accordance with the following formula and expressed as a percentage:

Money market yield

$$\frac{\text{Dx360}}{360 - (\text{DxM})} \times 10$$

where “D” refers to the applicable per annum rate for commercial paper quoted on a bank discount basis and expressed as a decimal; and “M” refers to the actual number of days in the interest period for which interest is being calculated.

Determination of Federal Funds Rate. If the Interest Rate Basis, as specified above, is, or is calculated by reference to the Federal Funds Rate, unless otherwise specified above, the “Federal Funds Rate” with respect to each Interest Reset Date will be determined by the Calculation Agent as of the first Business Day prior to such Interest Reset Date (a “Federal Funds Interest Determination Date”) and shall be the rate on that date for United States dollar Federal Funds as published in H.15(519) under the heading “Federal Funds (Effective),” as displayed on Reuters, Inc. (or any successor service) on page FEDFUND01 (or any other page as may replace the applicable page on that service) (“Reuters Page FEDFUND01”) or, if such rate does not appear on Reuters Page FEDFUND01, or is not so published by 3:00 p.m., New York City time, on the applicable Calculation Date, the rate on the applicable Federal Funds Interest Determination Date for United States dollar Federal Funds will be the rate on such Federal Funds Interest Determination Date as published in H.15 Daily Update, or other recognized electronic source used for the purpose of displaying the applicable rate, under the caption “Federal Funds (Effective).” If such rate is not so published by 3:00 p.m., New York City time, on the applicable Calculation Date, the Federal Funds Rate will be calculated by the Calculation Agent and will be the arithmetic mean of the rates for the last transaction in overnight United States dollar Federal Funds arranged by three leading brokers of United States dollar Federal Funds transactions in the City of New York, which may include an agent of the Company or such agent’s affiliates, selected by the Company before 9:00 a.m., New York City time, on the applicable Federal Funds Interest Determination Date; *provided, however*, that if the brokers selected as aforesaid by the Company are not quoting as mentioned in this sentence, the Federal Funds Rate will be the Federal Funds Rate in effect on the applicable Federal Funds Interest Determination Date.

Determination of Prime Rate. If the Interest Rate Basis, as specified above, is, or is calculated by reference to, the Prime Rate, unless otherwise specified above, the “Prime Rate” with respect to each Interest Reset Date will be determined by the Calculation Agent as of the first Business Day prior to such Interest Reset Date (a “Prime Interest Determination Date”) and shall be the rate set forth on such date as published in H.15(519) under the caption “Bank Prime Loan,” or if not so published prior to 3:00 p.m., New York City time, on the applicable Calculation Date pertaining to such Prime Interest Determination Date, then the Prime Rate will be as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying the applicable rate under the caption “Bank Prime Loan,” or if not so published prior to 3:00 p.m., New York City time, on the applicable Calculation Date pertaining to such Prime Interest Determination Date, then the Prime Rate will be determined by the Calculation Agent as the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Screen US PRIME 1 Page (as defined below) as the particular bank’s prime rate or base lending rate as of 11:00 a.m., New York City time, on the applicable Prime Interest Determination Date. If fewer than four such rates are so published by 3:00 p.m., New York City time, on the applicable Calculation Date as shown on the Reuters Screen US PRIME 1 Page for the Prime Interest Determination Date, the Prime Rate will be determined by

the Calculation Agent as the arithmetic mean of the prime rates or base lending rates quoted on the basis of the actual number of days in the year divided by a 360-day year as of the close of business on the applicable Prime Interest Determination Date by three major banks, which may include an agent of the Company or such agent's affiliates, in the City of New York selected by the Company. However, if the banks selected by the Company are not quoting as mentioned in the preceding sentence, the Prime Rate will be the Prime Rate in effect on the applicable Prime Interest Determination Date.

"Reuters Screen US PRIME 1 Page" means the display on the Reuter Money 3000 Service or any successor service on the "US PRIME 1 Page" or other page as may replace US PRIME 1 Page on that service for the purpose of displaying prime rates or base lending rates of major United States banks.

Determination of Treasury Rate. If the Interest Rate Basis, as specified above, is, or is calculated by reference to the Treasury Rate, unless otherwise specified above, the "Treasury Rate" for each Interest Reset Date will be the rate from the auction held on the applicable Interest Determination Date (the "Auction") of direct obligations of the United States ("Treasury Bills") having the Index Maturity, as specified above, as published under the caption "INVESTMENT RATE" on the display on Reuters, Inc. or any successor or similar service on page USAUCTION 10 or any other page as may replace page USAUCTION 10 on that service ("Reuters Page USAUCTION 10") or page USAUCTION 11 on that service ("Reuters Page USAUCTION 11"), or, if the rate is not so published by 3:00 p.m., New York City time, on the applicable Calculation Date pertaining to such Treasury Rate Determination Date (as defined below), the Bond Equivalent Yield of the rate for the applicable Treasury Bills as published in H.15 Daily Update, or other recognized electronic source used for the purpose of displaying the applicable rate, under the caption "U.S. Government Securities/Treasury Bills/Auction High," or, if the rate is not so published by 3:00 p.m., New York City time, on the applicable Calculation Date pertaining to such Treasury Rate Determination Date, the Bond Equivalent Yield of the auction rate of the applicable Treasury Bills announced by the United States Department of the Treasury, or, if the rate is not announced by the United States Department of the Treasury, or if the Auction is not held, the Bond Equivalent Yield of the rate on the applicable Treasury Rate Determination Date of Treasury Bills having the Index Maturity specified above, published in H.15(519) under the caption "U.S. Government Securities/Treasury Bills/Secondary Market," or, if the rate is not so published by 3:00 p.m., New York City time, on the applicable Calculation Date pertaining to such Treasury Rate Determination Date, the rate on the applicable Treasury Rate Determination Date of the applicable Treasury Bills as published in H.15 Daily Update, or other recognized electronic source used for the purpose of displaying the applicable rate, under the caption "U.S. Government Securities/Treasury Bills/Secondary Market." In the event that the results of the auction of Treasury Bills having the applicable Index Maturity specified above are not published or reported, as provided above, by 3:00 p.m., New York City time, on the applicable Calculation Date or if no such auction is held on such Treasury Rate Determination Date, then the Treasury Rate on the applicable Treasury Rate Determination Date shall be calculated by the Calculation Agent and shall be the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 p.m., New York City time, on the applicable Treasury Rate Determination Date, of three primary United States government securities dealers, which may include the agent or its affiliates, selected by the Company, for the issue of Treasury Bills with a remaining maturity closest to the Index Maturity specified above; *provided, however*, that if the dealers selected as aforesaid by the Company are not quoting as mentioned in this sentence, the

Treasury Rate will be the Treasury Rate in effect on the applicable Treasury Rate Determination Date.

The “Treasury Rate Determination Date” for any Interest Reset Date will be the day of the week in which such Interest Reset Date falls on which Treasury Bills would normally be auctioned. Treasury Bills are normally sold at auction on Monday of each week, unless that day is a legal holiday, in which case the auction is normally held on the following Tuesday, except such auction may be held on the preceding Friday. If, as the result of a legal holiday, an auction is so held on the preceding Friday, such Friday will be the Treasury Rate Determination Date pertaining to the Interest Reset Date occurring in the next succeeding week.

“Bond Equivalent Yield” means a yield calculated in accordance with the following formula and expressed as a percentage:

$$\text{Bond Equivalent Yield} = \frac{D \times N}{360 - (D \times M)} \times 10$$

where “D” refers to the applicable per annum rate for Treasury Bills quoted on a bank discount basis and expressed as a decimal; “N” refers to 365 or 366, as the case may be, and “M” refers to the actual number of days in the interest period for which interest is being calculated.

Provisions Applicable To Both Fixed Rate Notes And Floating Rate Notes:

The interest so payable on any Interest Payment Date will, subject to certain exceptions in the Indenture hereinafter referred to, be paid to the person in whose name this Note is registered at the close of business on the Regular Record Date (as defined below) immediately preceding such Interest Payment Date or, if the Interest Payment Date is the Maturity Date or the date of earlier redemption or repayment, to the person in whose name this Note is registered at the close of business on the Maturity Date or such earlier date of redemption or repayment; *provided, however*, that if the Original Issue Date is between a Regular Record Date and an Interest Payment Date or on an Interest Payment Date, interest for the period from and including the Original Issue Date to, but excluding, the Interest Payment Date relating to such Regular Record Date shall be paid on the next succeeding Interest Payment Date to the person in whose name this Note is registered on the close of business on the Regular Record Date preceding such Interest Payment Date. If this Note bears interest at a Fixed Rate, as specified above, unless otherwise specified above, the “Regular Record Date” with respect to any Interest Payment Date shall be the 28th day of February and the 31st day of August, whether or not a Business Day, immediately preceding the related Interest Payment Date. If this Note bears interest at a Floating Rate, as specified above, the “Regular Record Date” with respect to any Interest Payment Date shall be the fifteenth calendar day next preceding such Interest Payment Date, whether or not such date shall be a Business Day.

Payment of principal, premium, if any, and interest in respect of this Note due on the Maturity Date or any earlier redemption or repayment date will be made in immediately available funds upon presentation and surrender of this Note; *provided, however*, that if a Specified Currency is specified above and such payment is to be made in such Specified Currency in accordance with the provisions set forth below, such payment will be made by wire transfer of immediately available funds to an account with a bank designated by the Holder hereof at least 15 calendar days prior to the Maturity Date or such earlier redemption or

repayment date, as the case may be, *provided that* such bank has appropriate facilities therefor and that this Note is presented and surrendered at the Place of Payment specified above in time for the Trustee to make such payment in such funds in accordance with its normal procedures. Payment of interest due on any Interest Payment Date, other than the Maturity Date or any earlier redemption or repayment date, will be made at the Place of Payment specified above.

Whenever in this Note or in the Indenture there is a reference, in any context, to the payment of the principal of, or interest, if any, on, or in respect of, the Notes, such payment shall be deemed to include the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect of such payment pursuant to the provisions hereof or thereof and express mention of the payment of Additional Amounts (if applicable) in any provision hereof or thereof shall not be construed as excluding Additional Amounts in those provisions hereof where such express mention is not made.

The Company is obligated to make payment of principal, premium, if any, and interest in respect of this Note in United States dollars or, if a Specified Currency is indicated above, in such Specified Currency (or, if such Specified Currency is not at the time of such payment legal tender for the payment of public and private debts of the country issuing such currency or, in the case of the Euro, in the member states of the European Union that have adopted the single currency in accordance with the Treaty Establishing the European Community, as amended by the Treaty on European Union, such other currency which is then such legal tender in such country or in the adopting member states of the European Union, as the case may be). If a Specified Currency is specified above, except as otherwise provided below, any such amounts so payable by the Company will be converted by a New York clearing house bank designated by the Company (the “Exchange Rate Agent”) into United States dollars for payment to the Holder of this Note.

If a Specified Currency is specified above, the Holder of this Note may elect to receive any amount payable hereunder in such Specified Currency. If the Holder of this Note shall not have duly made an election to receive all or a specified portion of any payment of principal, premium, if any, and/or interest in respect of this Note in such Specified Currency, any United States dollar amount to be received by the Holder of this Note will be based on the highest bid quotation in the City of New York received by the Exchange Rate Agent at approximately 11:00 a.m., New York City time, on the second Business Day preceding the applicable payment date from three recognized foreign exchange dealers (one of whom may be the Exchange Rate Agent) selected by the Exchange Rate Agent and approved by the Company for the purchase by the quoting dealer of the Specified Currency for United States dollars for settlement on such payment date in the aggregate amount of the Specified Currency payable to all Holders of Notes scheduled to receive United States dollar payments and at which the applicable dealer commits to execute a contract. All currency exchange costs will be borne by the Holder of this Note by deductions from such payments. If three such bid quotations are not available, payments on this Note will be made in the Specified Currency.

If a Specified Currency is specified above, the Holder of this Note may elect to receive all or a specified portion of any payment of principal, premium, if any, and/or interest in respect of this Note in such Specified Currency by submitting a written request for such payment to the Trustee at the Place of Payment on or prior to the applicable Record Date or at least 15 calendar days prior to the Maturity Date (or any earlier redemption or repayment date), as the case may

be. Such written request may be mailed or hand delivered or sent by facsimile transmission. The Holder of this Note may elect to receive all or a specified portion of all future payments in the Specified Currency in respect of such principal, premium, if any, and/or interest and need not file a separate election for each payment. Such election will remain in effect until revoked by written notice to the Trustee, but written notice of any such revocation must be received by the Trustee on or prior to the applicable Record Date or at least 15 calendar days prior to the Maturity Date (or any earlier redemption or repayment date), as the case may be.

If a Specified Currency is specified above and the Holder of this Note shall have duly made an election to receive all or a specified portion of any payment of principal, premium, if any, and/or interest in respect of this Note in such Specified Currency, but such Specified Currency is not available for such payment due to the imposition of exchange controls or other circumstances beyond the control of the Company, the Company will be entitled to satisfy its obligations to the Holder of this Note by making such payment in United States dollars on the basis of the Market Exchange Rate (as defined below) determined by the Exchange Rate Agent on the second Business Day prior to such payment date or, if such Market Exchange Rate is not then available, on the basis of the most recently available Market Exchange Rate on or before the date on which such payment is due. The “Market Exchange Rate” for the Specified Currency means the noon dollar buying rate in the City of New York for cable transfers of the Specified Currency as certified for customs purposes (or, if not so certified, as otherwise determined) by the Federal Reserve Bank of New York. Any payment made in United States dollars under such circumstances shall not constitute an Event of Default (as defined in the Indenture).

All determinations referred to above made by the Exchange Rate Agent shall be at its sole discretion and shall, in the absence of manifest error, be conclusive for all purposes and binding on the Holder of this Note.

In case an Event of Default (as defined in the Indenture) with respect to Notes of this series shall occur and be continuing, the principal amount (or, if the Note is an Original Issue Discount Note, such lesser portion of the principal amount as may be applicable) of the Notes of this series may be declared due and payable, and, with respect to certain Events of Default, shall automatically become due and payable, in each case in the manner and with the effect provided in the Indenture. If this Note is an Original Issue Discount Note, in the event of an acceleration of the Maturity Date hereof, the amount payable to the Holder of this Note upon such acceleration will be determined by this Note but will be an amount less than the amount payable at the Maturity Date of this Note.

The Indenture permits, with certain exceptions as therein provided, the modification of the rights and obligations of the Company and the Guarantor and the rights of the Holders of the Debt Securities (as defined in the Indenture) of each series to be affected by such modification under the Indenture at any time by the Company and the Guarantor with the consent of the holders of not less than a majority in aggregate principal amount of the Outstanding Debt Securities (as defined in the Indenture) of each series to be affected by such modification. The Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the Outstanding Debt Securities of each series, on behalf of the Holders of all Debt Securities of such series, to waive compliance by the Company and the Guarantor with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences.

This Note is issuable only in registered form without coupons in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof or other Authorized Denomination specified above.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Note may be registered in the Debt Security Register (as defined in the Indenture) of this series upon surrender of this Note for registration of transfer at the Place of Payment specified above, duly endorsed by or accompanied by, a written instrument of transfer in form satisfactory to the Company and the Trustee, duly executed by the Holder hereof or his attorney duly authorized in writing, and thereupon a new Note or Notes of this series of Authorized Denomination and for the same aggregate principal amount, with the Guarantee endorsed thereon, will be issued to the designated transferee or transferees.

No service charge shall be made for any such registration of transfer, exchange or redemption of the Notes, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Trustee, and any agent of the Company or the Trustee may treat the person in whose name this Note is registered in the Debt Security Register as the owner of this Note for all purposes (other than for the determination of any Additional Amounts payable) and neither the Company nor the Trustee nor any such agent shall be affected by any notice to the contrary.

Prior to February 10, 2028 (one month prior to their maturity date) (the “Par Call Date”), the Company may redeem the Notes at its option, in whole or in part, at any time and from time to time, at a redemption price (expressed as a percentage of principal amount and rounded to three decimal places) equal to the greater of:

- the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the redemption date (assuming the Notes matured on the Par Call Date) on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 35 basis points less (b) interest accrued to the date of redemption, and

- 100% of the principal amount of the Notes to be redeemed,

plus, in either case, accrued and unpaid interest thereon to the redemption date.

On or after the Par Call Date, the Company may redeem the Notes, in whole or in part, at any time and from time to time, at a redemption price equal to 100% of the principal amount of the Notes being redeemed plus accrued and unpaid interest thereon to the redemption date.

If any redemption date falls on a day that is not a Business Day, the related payment of the redemption price and interest will be made on the next Business Day as if it were made on the date such payment was due, and no interest will accrue on the amounts so payable for the period from and after such date to the next Business Day. “Treasury Rate” means, with respect to any redemption date, the yield determined by the Company in accordance with the following two paragraphs.

The Treasury Rate shall be determined by the Company after 4:15 p.m., New York City time (or after such time as yields on U.S. government securities are posted daily by the Board of Governors of the Federal Reserve System), on the third business day preceding the redemption date based upon the yield or yields for the most recent day that appear after such time on such day in the most recent statistical release published by the Board of Governors of the Federal Reserve System designated as “Selected Interest Rates (Daily) - H.15” (or any successor designation or publication) (“H.15”) under the caption “U.S. government securities—Treasury constant maturities—Nominal” (or any successor caption or heading) (“H.15 TCM”). In determining the Treasury Rate, the Company shall select, as applicable: (1) the yield for the Treasury constant maturity on H.15 exactly equal to the period from the redemption date to the Par Call Date (the “Remaining Life”); or (2) if there is no such Treasury constant maturity on H.15 exactly equal to the Remaining Life, the two yields – one yield corresponding to the Treasury constant maturity on H.15 immediately shorter than and one yield corresponding to the Treasury constant maturity on H.15 immediately longer than the Remaining Life – and shall interpolate to the Par Call Date on a straight-line basis (using the actual number of days) using such yields and rounding the result to three decimal places; or (3) if there is no such Treasury constant maturity on H.15 shorter than or longer than the Remaining Life, the yield for the single Treasury constant maturity on H.15 closest to the Remaining Life. For purposes of this paragraph, the applicable Treasury constant maturity or maturities on H.15 shall be deemed to have a maturity date equal to the relevant number of months or years, as applicable, of such Treasury constant maturity from the redemption date.

If on the third Business Day preceding the redemption date H.15 TCM is no longer published, the Company shall calculate the Treasury Rate based on the rate per annum equal to the semi-annual equivalent yield to maturity at 11:00 a.m., New York City time, on the second Business Day preceding such redemption date of the United States Treasury security maturing on, or with a maturity that is closest to, the Par Call Date, as applicable. If there is no United States Treasury security maturing on the Par Call Date but there are two or more United States Treasury securities with a maturity date equally distant from the Par Call Date, one with a maturity date preceding the Par Call Date and one with a maturity date following the Par Call Date, the Company shall select the United States Treasury security with a maturity date preceding the Par Call Date. If there are two or more United States Treasury securities maturing on the Par Call Date or two or more United States Treasury securities meeting the criteria of the preceding sentence, the Company shall select from among these two or more United States Treasury securities the United States Treasury security that is trading closest to par based upon the average of the bid and asked prices for such United States Treasury securities at 11:00 a.m., New York City time. In determining the Treasury Rate in accordance with the terms of this paragraph, the semi-annual yield to maturity of the applicable United States Treasury security shall be based upon the average of the bid and asked prices (expressed as a percentage of principal amount) at 11:00 a.m., New York City time, of such United States Treasury security, and rounded to three decimal places.

The Company’s actions and determinations in determining the redemption price shall be conclusive and binding for all purposes, absent manifest error. The Trustee shall have no responsibility in calculating the redemption price.

Notice of any redemption will be mailed or electronically delivered (or otherwise transmitted in accordance with the Depository's procedures) at least 10 days but not more than 60 days before the redemption date to the Holder hereof in accordance with Section 15.03 of the Indenture, except that redemption notices may be provided more than 60 days prior to the redemption date if the notice is issued in connection with the defeasance or discharge of the Notes and/or the Indenture. Notwithstanding anything to the contrary in the foregoing, notice of any redemption to the Holder hereof may, in the Company's discretion, be subject to one or more conditions precedent, including completion of a corporate transaction. In such event, the related notice of redemption will describe each such condition and, if applicable, will state that, in the Company's discretion, the date of redemption may be delayed until such time as any or all such conditions shall be satisfied or waived, or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied or waived by the date of redemption, or by the date of redemption as so delayed.

In the case of a partial redemption, selection of the Notes for redemption will be made pro rata, by lot or by such other method as the Trustee in its sole discretion deems appropriate and fair. No Notes of a principal amount of \$2,000 or less will be redeemed in part. If any Note is to be redeemed in part only, the notice of redemption that relates to the Note will state the portion of the principal amount of the Note to be redeemed. A new Note in a principal amount equal to the unredeemed portion of the Note will be issued in the name of the Holder upon surrender for cancellation of the original Note. For so long as the Notes are held by the Depository, the redemption of the Notes shall be done in accordance with the policies and procedures of the Depository.

Unless the Company defaults in the payment of the redemption price on and after the redemption date, interest will cease to accrue on the principal amount of this Note called for redemption.

This Note will not be subject to, or have the benefit of, any sinking fund.

Subject to Article Thirteen of the Indenture, if an HDI Change of Control Triggering Event (as defined below) occurs, unless the Company has exercised its option to redeem this Note as described above, the Company will be required to make an offer (the "Change of Control Offer") to each Holder of the Notes to repurchase all or any part (equal to \$2,000 or an integral multiple of \$1,000 in excess thereof) of such Holder's Notes on the terms set forth herein. In the Change of Control Offer, the Company will be required to offer payment in cash equal to 101% of the aggregate principal amount of Notes repurchased, plus accrued and unpaid interest, if any, on the Notes repurchased to, but excluding, the date of repurchase (the "Change of Control Payment").

Subject to Article Thirteen of the Indenture, within 30 days following any HDI Change of Control Triggering Event or, at the Company's option, prior to any HDI Change of Control (as defined below), but after public announcement by HDI (as defined below) of the transaction that constitutes, or would constitute upon consummation thereof, an HDI Change of Control, a notice will be delivered to Holders of the Notes describing the transaction that constitutes, or would constitute upon consummation thereof, the HDI Change of Control Triggering Event and offering to repurchase such Notes on the date specified in the notice. Such date will be no earlier than 10 days and no later than 60 days from the date such notice is delivered, other than as may

be required by law (the “Change of Control Payment Date”). The notice will, if delivered prior to the date of consummation of the HDI Change of Control, state that the offer to purchase is conditioned on the HDI Change of Control Triggering Event occurring on or prior to the Change of Control Payment Date.

If any Change of Control Payment Date falls on a day that is not a Business Day, the related payment of the Change of Control Payment will be made on the next Business Day as if it were made on the date such payment was due, and no interest will accrue on the amounts so payable for the period from and after such date to the next Business Day.

On the Change of Control Payment Date, the Company will, to the extent lawful, (i) accept for payment all Notes or portions of Notes properly tendered and not validly withdrawn pursuant to the Change of Control Offer; (ii) deposit with the paying agent an amount equal to the Change of Control Payment in respect of all such Notes or portions of Notes properly tendered and not validly withdrawn; and (iii) deliver or cause to be delivered to the Trustee such Notes properly accepted together with a Company Officers’ Certificate (as defined in the Indenture) stating the aggregate principal amount of such Notes or portions of Notes being repurchased.

The Company will not be required to comply with the obligations relating to repurchasing the Notes if a third-party instead satisfies them.

The Company must comply with the requirements of Rule 14e-1 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and any other securities laws and regulations applicable to the repurchase of the Notes. To the extent that the provisions of any such securities laws or regulations conflict with the Change of Control Offer provisions of the Notes, the Company will comply with those securities laws and regulations and will not be deemed to have breached its obligations under the Change of Control Offer provisions of the Notes by virtue of any such compliance.

If Holders of not less than 95% in aggregate principal amount of the outstanding Notes properly tender and do not validly withdraw such amount of the Notes in a Change of Control Offer, and the Company, or any third-party making an offer to purchase the Notes in connection with an HDI Change of Control Triggering Event in lieu of the Company, purchase such amount of the Notes properly tendered and not validly withdrawn by such Holders, then the Company will have the right, upon notice described above, given not more than 30 days following the Change of Control Payment Date, to redeem all (but not less than all) of the Notes that remain outstanding following such purchase at a redemption price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to, but excluding, the redemption date (subject to the right of Holders of record as of the close of business on the relevant Regular Record Date to receive interest on the applicable Interest Payment Date). If the redemption date falls on a day that is not a Business Day, the related payment of the redemption price and interest will be made on the next Business Day as if it were made on the date such payment was due, and no interest will accrue on the amounts so payable for the period from and after such date to the next Business Day. For purposes of the Change of Control Offer provisions of the Notes, the following terms will be applicable:

“Below Investment Grade Rating Event” means the Notes cease to be rated an Investment Grade Rating by each of the Rating Agencies on any day within the 60-day period after the earlier of (1) the occurrence of an HDI Change of Control and (2) the first public announcement by Harley-Davidson, Inc. (“HDI”) of the intention of HDI to effect an HDI Change of Control (which 60-day period will be extended for so long as any of the Rating Agencies has publicly announced that it is considering a possible downgrade of the rating of the notes of such series); *provided that* a Below Investment Grade Rating Event otherwise arising by virtue of a particular reduction in rating shall not be deemed to have occurred in respect of a particular HDI Change of Control (and thus shall not be deemed a Below Investment Grade Rating Event for purposes of the definition of HDI Change of Control Triggering Event hereunder) if any of the Rating Agencies making the reduction in rating to which this definition would otherwise apply does not announce or publicly confirm or inform the Company in writing at the Company’s request that the reduction was the result, in whole or in part, of any event or circumstance comprised of or arising as a result of, or in respect of, the applicable HDI Change of Control (whether or not the applicable HDI Change of Control shall have occurred at the time of the Below Investment Grade Rating Event). The Trustee has no obligation to monitor the ratings of the Notes for purposes of determining the occurrence of a Below Investment Grade Rating Event.

“Fitch” means Fitch Ratings, Inc. and its successors.

“HDI Change of Control” means the occurrence of any of the following: (1) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any “person” (as that term is used in Section 13(d)(3) of the Exchange Act), other than HDI or one of its subsidiaries, becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of the Voting Stock of HDI or other Voting Stock into which the Voting Stock of HDI is reclassified, consolidated, exchanged or changed, measured by voting power rather than number of shares; or

(2) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation or as a pledge for security purposes only), in one or a series of related transactions, of all or substantially all of the assets of HDI and the assets of the subsidiaries of HDI, taken as a whole, to one or more “persons” (as that term is defined in the Indenture), other than HDI or one of its subsidiaries and other than any such transaction or series of related transactions where holders of Voting Stock of HDI outstanding immediately prior thereto hold voting stock of the transferee person representing a majority of the voting power of the transferee person’s voting stock immediately after giving effect thereto. Notwithstanding the foregoing, a transaction will not be deemed to be an HDI Change of Control if (1) HDI becomes a direct or indirect wholly-owned subsidiary of a holding company and (2)(A) the direct or indirect holders of the Voting Stock of such holding company immediately following that transaction are substantially the same as the holders of the Voting Stock of HDI immediately prior to that transaction or (B) immediately following that transaction no “person” (as that term is used in Section 13(d)(3) of the Exchange Act) (other than a holding company satisfying the requirements of this sentence) is the beneficial owner, directly or indirectly, of more than 50% of the Voting Stock of such holding company. “HDI Change of Control Triggering Event” means the occurrence of both an HDI Change of Control and a Below Investment Grade Rating Event. Notwithstanding anything to the contrary, no HDI Change of Control Triggering Event will be deemed to have occurred in connection with any particular HDI Change of Control unless and until such HDI Change of Control has actually been consummated.

“Investment Grade Rating” means a rating equal to or higher than Baa3 by Moody’s (or its equivalent under any successor rating category of Moody’s), BBB– by S&P (or its equivalent under any successor rating category of S&P) and BBB– by Fitch (or its equivalent under any successor rating category of Fitch), and the equivalent investment grade credit rating from any replacement Rating Agency or Rating Agencies selected by the Company.

“Moody’s” means Moody’s Investors Service, Inc., a subsidiary of Moody’s Corporation, and its successors.

“Rating Agencies” means (1) each of Moody’s, S&P and Fitch, and (2) if any of Moody’s, S&P or Fitch (or in each case any replacement thereof appointed pursuant to this definition) ceases to rate the Notes or fails to make a rating of the Notes publicly available for reasons outside of the Company’s control, a “nationally recognized statistical rating organization” as defined under Section 3(a)(62) of the Exchange Act selected by the Company as a replacement agency for Moody’s, S&P and/or Fitch, as the case may be; *provided that* the Company shall give notice of any such replacement to the Trustee.

“S&P” means S&P Global Ratings, a division of S&P Global Inc. and its successors. “Voting Stock” means, with respect to any specified “person” (as that term is used in Section 13(d)(3) of the Exchange Act), as of any date, the capital stock of such person that is at the time entitled to vote generally in the election of the board of directors of such person.

In lieu of Section 5.05 of the Indenture, the following covenant shall apply:

Limitation on Liens. The Company and the Guarantor will not, nor will they permit any Subsidiary (as defined in the Indenture) of the Company or the Guarantor to, issue or assume any Indebtedness (as defined in the Indenture) secured by a Lien (as defined in the Indenture) upon any Property (as defined in the Indenture) (now owned or hereinafter acquired) of the Company or the Guarantor or any such Subsidiary without in any such case effectively providing concurrently with the issuance or assumption of any such Indebtedness that the Notes (together with, if the Company or the Guarantor shall so determine, any other Indebtedness of the Company or the Guarantor or any such Subsidiary ranking equally with the Notes then existing or thereafter created) shall be secured equally and ratably with such Indebtedness. The restrictions set forth in the immediately preceding sentence will not, however, apply if the aggregate amount of Indebtedness issued or assumed by the Company, the Guarantor or such Subsidiaries and so secured by Liens, together with all other Indebtedness of the Company, the Guarantor or such Subsidiaries which (if originally issued or assumed at such time) would otherwise be subject to such restrictions, but not including Indebtedness permitted to be secured under clauses (i) through (xv) of the immediately following paragraph, does not at the time such secured Indebtedness is incurred exceed 15% of the applicable Consolidated Net Tangible Assets (as defined in the Indenture).

The restrictions set forth above shall not apply to Indebtedness secured by:

- Liens existing on the date of the original issuance of the Notes;
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- Liens on any Property of any company existing at the time such company becomes a Subsidiary of the Company or the Guarantor, which Liens are not created in contemplation of such company becoming a Subsidiary of the Company or the Guarantor;
 - Liens on any Property existing at the time such Property is acquired by the Company, the Guarantor or a Subsidiary of the Company or the Guarantor, or Liens to secure the payment of all or any part of the purchase price of such Property upon the acquisition of such Property by the Company, the Guarantor or a Subsidiary of the Company or the Guarantor or to secure any Indebtedness incurred prior to, at the time of, or within 180 days after, the later of the date of acquisition of such Property and the date such Property is placed in service, for the purpose of financing all or any part of the purchase price thereof, or Liens to secure any Indebtedness incurred for the purpose of financing the cost to the Company, the Guarantor or a Subsidiary of the Company or the Guarantor of improvements to such acquired Property or to secure any Indebtedness incurred for the purpose of financing all or any part of the purchase price of the cost of construction of the Property subject to such Liens;
 - Liens securing any Indebtedness of the Company, a Subsidiary of the Company or the Guarantor owing to the Company, the Guarantor or to another Subsidiary of the Company or the Guarantor;
 - Liens created in connection with a securitization or other asset-based financing;
 - Liens with respect to the payment of taxes, assessments or governmental charges in all cases which are not yet due or which are being contested in good faith;
 - statutory Liens of landlords and Liens of suppliers, mechanics, carriers, materialmen, warehousemen or workmen and other similar Liens imposed by law created in the ordinary course of business for amounts not yet due or which are being contested in good faith;
 - Liens incurred or deposits made in the ordinary course of business in connection with worker's compensation, unemployment insurance or other types of social security benefits or to secure the performance of bids, tenders, sales, contracts (other than for the repayment of borrowed money), surety, appeal and performance bonds;
 - Liens arising with respect to zoning restrictions, easements, licenses, reservations, covenants, rights-of-way, utility easements, building restrictions and other similar charges or encumbrances on the use of real property which do not interfere with the ordinary conduct of the business of the Company, the Guarantor or any of their respective Subsidiaries;
 - Liens of attachment or judgment with respect to judgments, writs or warrants of attachment, or similar process against the Company, the Guarantor or any of their respective Subsidiaries;
 - Liens arising from leases, subleases or licenses granted to others which do not interfere in any material respect with the business of the Company, the Guarantor or any of their respective Subsidiaries;
 - any interest or title of the lessor in the Property subject to any operating lease (as determined in accordance with GAAP as in effect as of December 1, 2018), entered into by the Company, the Guarantor or any of their respective Subsidiaries in the ordinary course of business;
 - Liens, if any, in connection with any sale/leaseback transaction;
 - Liens on assets pledged in respect of Indebtedness that has been redeemed, defeased and/or discharged in accordance with the provisions thereof through the deposit of cash, cash
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- equivalents or marketable securities (it being understood that cash collateral shall be deemed to include cash deposited with a trustee with respect to third party indebtedness); and any extension, renewal or replacement (or successive extensions, renewals or replacements) in whole or in part of any Lien referred to in the foregoing clauses (i) - (xiv); provided, however, that such new Lien is limited to the Property (or type of Property) which was subject to the prior Lien immediately before such extension, renewal or replacement, and provided, further, that the principal amount of Indebtedness secured by the prior Lien immediately before such extension, renewal or replacement is not increased.

In lieu of Section 7.01(f) and Section 7.01(i) of the Indenture, each of the following, respectively, shall constitute an Event of Default with respect to the Notes:

(f) any event of default by the Company, the Guarantor or any of their respective Subsidiaries as defined in any mortgage, indenture or instrument under which there may be issued, or by which there may be secured or evidenced, any Indebtedness of the Company, the Guarantor or any of their respective Subsidiaries, as the case may be, whether such Indebtedness now exists or shall hereafter be created, resulting in such Indebtedness in a principal amount of at least \$150,000,000 becoming or being declared due and payable prior to the date on which it would otherwise become due and payable, and such acceleration shall not be rescinded or annulled within a period of 30 days after there has been given, by overnight courier, registered or certified mail, to the Company and the Guarantor by the Trustee or to the Company, the Guarantor and the Trustee by the Holders of at least 25% in aggregate principal amount of the outstanding Notes a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "Notice of Default" under the Indenture; and

(i) final judgment of money in excess of \$150,000,000 (not covered by third-party insurance), singularly or in the aggregate, shall be rendered against the Company or the Guarantor or any of their respective Material Subsidiaries (as defined in the Indenture) and shall remain undischarged and unstayed for a period (during which execution shall not be effectively stayed) of 60 days after such judgment becomes final.

The Company may "reopen" a previously issued tranche of Notes and issue additional Notes of such tranche or establish additional terms of such tranche or issue notes with the same terms as previously issued Notes (except for the Original Issue Date, Issue Price and, if applicable, the initial Interest Payment Date).

The Company may at any time purchase this Note at any price in the open market or otherwise. Notes so purchased by the Company may be held or resold or, at the discretion of the Company, may be surrendered to the Trustee for cancellation.

For the avoidance of doubt, Article Thirteen of the Indenture shall apply to the Notes.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligations of the Company and the Guarantor, which are absolute and unconditional, to pay the principal of, premium, if any, and interest on this Note, at the times, place and rate, and in the coin or currency, herein and in the Indenture prescribed.

This Note shall be governed by and construed in accordance with the laws of the State of New York.

By acceptance of this Note, the Holder hereof agrees to be bound by the provisions of the Indenture. Terms used herein which are defined in the Indenture shall have the respective meanings assigned thereto in the Indenture. Facsimile signatures for the purposes of the Indenture are intended to include electronic signatures (including DocuSign). This Note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by or on behalf of the Trustee under the Indenture.

None of the Trustee, the paying agent or the Calculation Agent shall be under any obligation (i) to monitor, determine or verify the unavailability or cessation of any benchmark or floating rate note index, or whether or when there has occurred, or to give notice to any other transaction party of the occurrence of, any benchmark transition event or related benchmark replacement date, (ii) to select, determine or designate any benchmark replacement, or other successor or replacement benchmark index or basis, or whether any conditions to the designation of such a rate or index have been satisfied, or (iii) to select, determine or designate any benchmark replacement adjustment, or other modifier to any replacement or successor index, or (iv) to determine whether or what benchmark replacement conforming changes are necessary or advisable, if any, in connection with any of the foregoing, including, but not limited to, adjustments as to any alternative spread thereon, the business day convention, interest determination dates or any other relevant methodology applicable to such substitute or successor benchmark. In connection with the foregoing, each of the Trustee, paying agent and Calculation Agent shall be entitled to conclusively rely on any determinations made by the Company or its designee without independent investigation, and none will have any liability for actions taken at the Company's direction in connection therewith.

None of the Trustee, the paying agent or the Calculation Agent shall be liable for any inability, failure or delay on its part to perform any of its duties set forth herein as a result of the unavailability of any benchmark or index or other applicable benchmark replacement, including as a result of any failure, inability, delay, error or inaccuracy on the part of any other transaction party in providing any direction, instruction, notice or information required or contemplated by the terms hereof and reasonably required for the performance of such duties. None of the Trustee, the paying agent or the Calculation Agent shall be responsible or liable for the Company's actions or omissions or for those of the Company's designee, or for any failure or delay in the performance by the Company or its designee, nor shall any of the Trustee, paying agent or Calculation Agent be under any obligation to oversee or monitor the Company's performance or that of its designee.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed, manually or by facsimile by an authorized signatory.
HARLEY-DAVIDSON FINANCIAL SERVICES, INC.

By:
Name:
Title:

By:
Name:
Title:

Dated: March 10, 2023

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Debt Securities of the series designated herein and referred to in the within-mentioned Indenture.

CITIBANK, N.A.,
as Trustee

By: Authorized Signatory

GUARANTEE

For value received, undersigned hereby fully, irrevocably and unconditionally guarantees, pursuant to the terms of the Guarantee contained in Article Sixteen of the Indenture, to the Holder of this Note and to the Trustee, on behalf of the Holder, the due and punctual payment of the principal of, and any premium, interest and any Additional Amounts on, this Note, when and as the same shall become due and payable, whether at the stated maturity, by declaration of acceleration, call for redemption or otherwise, in accordance with the terms of this Note and the Indenture. This Guarantee will not be valid or obligatory for any purpose until the Trustee duly executes the certificate of authentication on the Note upon which this Guarantee is endorsed.

Dated: March 10, 2023
HARLEY-DAVIDSON CREDIT CORP.,
a Nevada corporation

By:
Name:
Title:

Attest:
By: _____
Name:
Title:

ABBREVIATIONS

The following abbreviations, when used in the inscription on this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common	UNIF GIFT MIN ACT - Custodian (Cust) (Minor)
TEN ENT - as tenants by the entirety	under Uniform Gifts to Minors Act
JT TEN - as joint tenants with survivorship and not as tenant in common	

(State)

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto: (Please insert social security or other identifying number of assignee)

(Name and address of assignee, including zip code, must be printed or typewritten)

the within Note, and all rights thereunder, hereby irrevocably constituting and appointing attorney to transfer said Note on the books of the within Company, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the within Note in every particular, without alteration or enlargement or any change whatever and must be guaranteed.

SIGNATURE(S) GUARANTEED:

THE SIGNATURE(S) SHOULD BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION (BANKS, STOCKBROKERS, SAVINGS AND LOAN ASSOCIATIONS AND CREDIT UNIONS WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM) PURSUANT TO SEC RULE 17Ad-15.

SCHEDULE OF INCREASES OR DECREASES IN GLOBAL NOTE

Date of Exchange	Amount of increase in Principal Amount of this Global Note	Amount of decrease in Principal Amount of this Global Note	Principal Amount of this Global Note following each decrease or increase	Signature of authorized signatory of Trustee
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HARLEY-DAVIDSON FINANCIAL SERVICES, INC.
6.50% MEDIUM-TERM NOTES DUE 2028

Fully and Unconditionally Guaranteed
by Harley-Davidson Credit Corp.

THIS SECURITY IS A GLOBAL DEBT SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITORY (AS DEFINED IN THE INDENTURE) OR A NOMINEE THEREOF. THIS GLOBAL DEBT SECURITY IS EXCHANGEABLE FOR SECURITIES REGISTERED IN THE NAME OF A PERSON OTHER THAN THE DEPOSITORY OR ITS NOMINEE ONLY IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE AND, UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR SECURITIES IN DEFINITIVE FORM, THIS GLOBAL DEBT SECURITY MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITORY TO A NOMINEE OF THE DEPOSITORY, OR BY A NOMINEE OF THE DEPOSITORY TO THE DEPOSITORY OR ANOTHER NOMINEE OF THE DEPOSITORY, OR BY THE DEPOSITORY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITORY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITORY.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) (“DTC”), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”) OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION, AND, ACCORDINGLY, NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ANY OTHER APPLICABLE JURISDICTION. BY ITS ACCEPTANCE HEREOF, THE HOLDER OF THIS SECURITY OR ANY INTEREST OR PARTICIPATION HEREIN (1) REPRESENTS THAT (A) IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT), OR (B) IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT, AND (2) AGREES TO OFFER, SELL OR OTHERWISE TRANSFER

SUCH SECURITY, PRIOR TO THE DATE (THE “RESALE RESTRICTION TERMINATION DATE”) WHICH IS ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE COMPANY OR ANY AFFILIATE THEREOF WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY) ONLY (A) TO THE COMPANY OR ANY SUBSIDIARY THEREOF, (B) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHICH NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES TO NON-U.S. PERSONS IN OFFSHORE TRANSACTIONS WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT, (E) TO AN ACCREDITED INVESTOR WITHIN THE MEANING OF SUBPARAGRAPH (a)(1), (2), (3) OR (7) OF RULE 501 OF REGULATION D UNDER THE SECURITIES ACT THAT IS ACQUIRING THIS SECURITY OR ANY INTEREST OR PARTICIPATION HEREIN FOR ITS OWN ACCOUNT, OR FOR THE ACCOUNT OF SUCH AN ACCREDITED INVESTOR, FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TO, OR FOR OFFER OR SALE IN CONNECTION WITH, ANY DISTRIBUTION IN VIOLATION OF THE SECURITIES ACT OR (F) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT TO THE COMPANY’S AND THE TRUSTEE’S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER (i) PURSUANT TO CLAUSES (E) OR (F) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM, AND (ii) IN EACH OF THE FOREGOING CASES, TO REQUIRE THAT A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE OTHER SIDE OF THIS SECURITY BE COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE.

THE HOLDER OF THIS SECURITY WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER FROM IT OF THE SECURITY EVIDENCED HEREBY OF THE RESALE RESTRICTIONS SET FORTH ABOVE.

THE RIGHTS ATTACHING TO THIS REGULATION S TEMPORARY GLOBAL NOTE, AND THE CONDITIONS AND PROCEDURES GOVERNING ITS EXCHANGE FOR DEFINITIVE NOTES, ARE AS SPECIFIED IN THE INDENTURE (AS DEFINED HEREIN). NEITHER THE HOLDER NOR THE BENEFICIAL OWNERS OF THIS REGULATION S TEMPORARY GLOBAL NOTE SHALL BE ENTITLED TO RECEIVE PAYMENT OF INTEREST HEREON.

PRIOR TO EXPIRATION OF THE 40-DAY DISTRIBUTION COMPLIANCE PERIOD (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES (AS DEFINED IN REGULATION S) OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, A U.S. PERSON (AS DEFINED IN REGULATION S), UNLESS SUCH TRANSACTION IS EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT.

HARLEY-DAVIDSON FINANCIAL SERVICES, INC.
6.50% MEDIUM-TERM NOTES DUE 2028

Fully and Unconditionally Guaranteed
by Harley-Davidson Credit Corp.

No. S001 Principal Amount \$36,120,000
CUSIP No. U2465RAC5 as revised by the Schedule of
ISIN USU2465RAC52 Increases or Decreases in Global
Common Code No. 259832489 Note attached hereto

Issue Price: 99.681%

Original Issue Date: March 10, 2023

Maturity Date: March 10, 2028

Index Maturity:

☐ Original Issue Discount Note

Total Amount of OID:

Yield to Maturity: %

Initial Accrual Period OID:

☒ Fixed Rate

Interest Rate: 6.500%

☐ Floating Rate

Interest Rate Basis:

☐ CD Rate

☐ CMT Rate ☐ CMT Reuters Page FRBCMT:

☐ CMT Reuters Page FEDCMT:

☐ Commercial Paper Rate

☐ Federal Funds Rate

☐ Prime Rate

☐ Treasury Rate

☐ Other

Spread (Plus Or Minus):

Spread Multiplier: %

Interest Category:

☐ Regular Floating Rate Note

Specified Currency (if other than U.S. dollars): N/A

Option To Receive Payments In Specified Currency (non-U.S. dollar denominated Note):
N/A

Authorized Denomination: Minimum denominations of \$2,000 and integral multiples of
\$1,000 in excess thereof

Place of Payment (if other than as set forth in the Indenture): N/A

Initial Redemption Date:

Initial Redemption Percentage:

Annual Redemption Percentage Reduction:

Repayment Date:

Renewable: ☐ Yes ☐ No

Extendible: ☐ Yes ☐ No

Final Maturity Date:

☐ Floating Rate/Fixed Rate Note Fixed Rate Commencement Date:

Fixed Interest Rate: %

☐ Inverse Floating Rate Note

Initial Interest Reset Date:

Interest Reset Dates:

Interest Payment Dates (in the case of a Floating Rate Note and, in the case of a Fixed Rate Note, other than as set forth below): N/A

Regular Record Dates (if other than as set forth below): N/A

Interest Determination Dates (if other than as set forth below): N/A

Additional Amounts applicable for Company:

☐ Yes

☒ No

Additional Amounts applicable for Guarantor:

☐ Yes

☒ No

Addendum Attached

☐ Yes

☒ No

Authorized Denomination (only if non-U.S. dollar denominated Note): N/A

Calculation Agent (if other than the Trustee): N/A

Interest Payment Period: N/A

Initial Interest Rate:

Maximum Interest Rate: %

Minimum Interest Rate: %

Other Provisions:

Harley-Davidson Financial Services, Inc., a corporation duly organized under the laws of the State of Delaware (herein called the “Company,” which term includes any successor corporation under the Indenture hereinafter referred to), for value received, hereby promises to pay to Cede & Co., or registered assigns, the Principal Amount specified above, as revised by the Schedule of Increases or Decreases in Global Note attached hereto, on the Maturity Date specified above and to pay to the registered holder of this Note (the “Holder”) interest on said Principal Amount at a rate per annum specified above and upon the terms provided below under either the heading “Provisions Applicable to Fixed Rate Notes Only” or “Provisions Applicable to Floating Rate Notes Only.”

This Note is one of the Company’s duly authorized issue of notes in the series titled 6.50% Medium-Term Notes due 2028 (herein referred to as the “Notes”), all issued or to be issued under an indenture, dated as of December 18, 2020 (as may be supplemented from time to time, the “Indenture”), among the Company, Harley-Davidson Credit Corp. (the “Guarantor”) and Citibank, N.A., as trustee (the “Trustee,” which term includes any successor trustee under

the Indenture), to which Indenture reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Trustee, the Company, the Guarantor and the Holders of the Notes and of the terms upon which the Notes are, and are to be, authenticated and delivered. The Notes of this series are limited (except as otherwise provided in the Indenture) to the aggregate principal amount established from time to time by the Company's Board of Directors (as defined in the Indenture). The Notes of this series may be issued at various times with different maturity dates and different principal repayment provisions, may bear interest at different rates and may otherwise vary, all as provided in the Indenture. The Notes of this series may be subject to redemption upon notice and in accordance with the provisions of this Note and the Indenture. The Company and the Guarantor may defease the Notes of this series in accordance with the provisions of the Indenture.

To secure the due and punctual payment of principal, any premium, any interest and Additional Amounts (as defined in the Indenture) on this Note by the Company under the Indenture, when and as the same shall become due and payable, whether at the Maturity Date, by declaration of acceleration, call for redemption or otherwise, the Guarantor has unconditionally guaranteed this Note pursuant to the terms of the Guarantee endorsed hereon and in Article Sixteen of the Indenture (the "Guarantee").

As used herein, the term "Business Day," means any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which commercial banks are authorized or required by law, regulation or executive order to close in the City of New York; *provided, however*, that if a Specified Currency is specified above, the day is also not a day on which commercial banks are authorized or required by law, regulation or executive order to close in the Principal Financial Center (as defined below) of the country issuing such Specified Currency or, if such Specified Currency is the Euro, the day is also a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System is open.

"Principal Financial Center" means, unless otherwise provided in this Note, the capital city of the country issuing the Specified Currency; except that with respect to United States dollars, Australian dollars, Canadian dollars, South African rand and Swiss francs, the "Principal Financial Center" will be the City of New York, Sydney and (solely in the case of the Specified Currency) Melbourne, Toronto, Johannesburg and Zurich, respectively.

Provisions Applicable To Fixed Rate Notes Only:

If the "Fixed Rate" line above is checked, unless otherwise specified above, the Company will pay interest semiannually on March 10 and September 10 of each year (each such date fixed for the payment of interest, an "Interest Payment Date") commencing on September 10, 2023, and ending on the Maturity Date or upon earlier redemption or repayment to the person to whom principal is payable. Interest shall accrue from the Original Issue Date, or from the most recent Interest Payment Date to which interest has been paid or duly provided for on this Note to, but excluding, the next following Interest Payment Date, Maturity Date, or earlier date of redemption or repayment, as the case may be. Interest on Fixed Rate Notes will be computed by the Company on the basis of a 360-day year consisting of twelve 30-day months.

If any Interest Payment Date or the Maturity Date (or the date of earlier redemption or repayment) of this Fixed Rate Note falls on a day that is not a Business Day, the payment will be

made on the next Business Day as if it were made on the date such payment was due, and no interest will accrue on the amount so payable for the period from and after such Interest Payment Date or the Maturity Date (or the date of earlier redemption or repayment), as the case may be.

Provisions Applicable To Floating Rate Notes Only:

If the “Floating Rate” line above is checked, the Company will pay interest on the Interest Payment Dates shown specified above at the Initial Interest Rate specified above until the first Interest Reset Date specified above following the Original Issue Date specified above and thereafter at a rate determined in accordance with the provisions hereinafter set forth under the headings “Determination of CD Rate,” “Determination of CMT Rate,” “Determination of Commercial Paper Rate,” “Determination of Federal Funds Rate,” “Determination of Prime Rate” or “Determination of Treasury Rate,” depending on whether the Interest Rate Basis is the CD Rate, the CMT Rate, the Commercial Paper Rate, the Federal Funds Rate, the Prime Rate, the Treasury Rate or other Interest Rate Basis.

An interest payment shall be the amount of interest accrued from and including the Original Issue Date, or from and including the last Interest Payment Date to which interest has been paid, to, but excluding, the next following Interest Payment Date, Maturity Date, or date of earlier redemption or repayment, as the case may be (an “Interest Period”). Notwithstanding any provision herein to the contrary, the interest rate hereon shall not be greater than the Maximum Interest Rate, if any, or less than the Minimum Interest Rate, if any, specified above.

If any Interest Payment Date for any Floating Rate Note, other than an Interest Payment Date at maturity, would fall on a day that is not a Business Day, such Interest Payment Date will be the following day that is a Business Day, and interest will continue to accrue to the following Business Day. If the Maturity Date (or date of earlier redemption or repayment) of any Floating Rate Note would fall on a day that is not a Business Day, the payment of interest and principal (and premium, if any) may be made on the next succeeding Business Day, and no interest on such payment will accrue for the period from and after the Maturity Date (or the date of earlier redemption or repayment).

Commencing with the first Interest Reset Date specified above following the Original Issue Date, the rate at which interest on this Note is payable shall be adjusted daily, weekly, monthly, quarterly, semi-annually or annually as specified above under “Interest Reset Dates.”

The interest rate borne by this Note will be determined as follows:

- Unless the Interest Category of this Note is specified above as a “Floating Rate/Fixed Rate Note” or an “Inverse Floating Rate Note” or in the event either “Other Provisions” or an Addendum hereto applies, in each case, relating to a different interest rate formula, this Note shall be designated as a “Regular Floating Rate Note” and, except as set forth below or specified above under “Other Provisions” or in an Addendum hereto, shall bear interest at the rate determined by reference to the applicable Interest Rate Basis or Bases (a) plus or minus the applicable Spread, if any, and/or (b) multiplied by the applicable Spread Multiplier, if any; in each case as specified above. Commencing on the Initial Interest Reset Date, the rate at which interest on this Note shall be payable shall be reset as of each Interest Reset Date specified above; *provided, however*, that the
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interest rate in effect for the period, if any, from the Original Issue Date to the Initial Interest Reset Date shall be the Initial Interest Rate.

- If the Interest Category of this Note is specified above as a “Floating Rate/Fixed Rate Note” then, except as set forth below or specified above under “Other Provisions” or in an Addendum hereto, this Note shall bear interest at the rate determined by reference to the applicable Interest Rate Basis or Bases (a) plus or minus the applicable Spread, if any, and/or (b) multiplied by the Spread Multiplier, if any, in each case as specified above. Commencing on the Initial Interest Reset Date, the rate at which interest on this Note shall be payable shall be reset as of each Interest Reset Date; *provided, however*, that (y) the interest rate in effect for the period, if any, from the Original Issue Date to the Initial Interest Reset Date shall be the Initial Interest Rate and (z) the interest rate in effect for the period commencing on, and including, the Fixed Rate Commencement Date specified above to the Maturity Date (or date of earlier redemption or repayment) shall be the Fixed Interest Rate specified above or, if no Fixed Interest Rate is so specified, the interest rate in effect on the day immediately preceding the Fixed Rate Commencement Date.

- If the Interest Category of this Note is specified above as an “Inverse Floating Rate Note” then, except as set forth below or specified above under “Other Provisions” or in an Addendum hereto, this Note shall bear interest at (a) the Fixed Interest Rate specified above minus (b) the rate determined by reference to the applicable Interest Rate Basis or Bases:

- plus or minus the applicable Spread, if any, and/or
- multiplied by the applicable Spread Multiplier, if any, in each case as specified above;

provided, however, that, unless otherwise specified above under “Other Provisions” or in an Addendum hereto, the interest rate hereon shall not be less than zero. Commencing on the Initial Interest Reset Date, the rate at which interest on this Note shall be payable shall be reset on each Interest Reset Date; *provided, however*, that the interest rate in effect for the period, if any, from the Original Issue Date to the Initial Interest Reset Date shall be the Initial Interest Rate set forth above.

The “Spread” is the number of basis points (one basis point equals one-hundredth of a percentage point) specified above to be added to or subtracted from the Interest Rate Basis for a Floating Rate Note, and the “Spread Multiplier” is the percentage specified above by which the Interest Rate Basis for such Floating Rate Note will be multiplied. Both a Spread and/or a Spread Multiplier may be applicable to the Interest Rate Basis for a particular Floating Rate Note, as set forth above.

Each such adjusted Interest Rate Basis shall be applicable on and after the Interest Reset Date to which it relates but not including the next succeeding Interest Reset Date. If any Interest Reset Date is a day that is not a Business Day, such Interest Reset Date shall be postponed to the next day that is a Business Day. In addition, if the Treasury Rate is the applicable Interest Rate Basis and the Interest Determination Date would otherwise fall on an Interest Reset Date, then the Interest Reset Date will be postponed to the next succeeding Business Day. Subject to

applicable provisions of law (including usury laws) and except as specified in this Note, on each Interest Reset Date, the rate of interest on this Note shall be the rate determined in accordance with the provisions of the applicable heading below.

With respect to a Floating Rate Note, accrued interest shall be calculated by multiplying the principal amount thereof by an accrued interest factor. Such accrued interest factor will be computed by adding the interest factors calculated for each day in the Interest Period or from the last date from which accrued interest is being calculated. The interest factor for each such day is computed by dividing the interest rate applicable to such day by 360, in the cases of CD Rate Notes, Commercial Paper Rate Notes, Federal Funds Rate Notes and Prime Rate Notes or by the actual number of days in the year, in the cases of CMT Rate Notes and Treasury Rate Notes. The interest rate applicable to any day that is an Interest Reset Date will be the interest rate effective on such Interest Reset Date. The interest rate applicable to any other day will be the interest rate for the immediately preceding Interest Reset Date (or, if none, the Initial Interest Rate, as specified above).

The “Calculation Date,” where applicable, pertaining to an Interest Determination Date will be the earlier of (i) the tenth calendar day after such Interest Determination Date or, if any such day is not a Business Day, the next succeeding Business Day or (ii) the Business Day preceding the applicable Interest Payment Date or the Maturity Date (or the date of earlier redemption or repayment), as the case may be.

For Floating Rate Notes, Citibank, N.A. shall be the calculation agent unless another calculation agent is specified above (the “Calculation Agent”). As Calculation Agent, Citibank, N.A. shall have all of the rights, protections, immunities and indemnities provided to it as Trustee under the Indenture, unless a calculation agency agreement is entered into, in which case, such agreement would control. The interest rate applicable to each interest period will be determined by the Calculation Agent on or prior to the applicable Calculation Date. At the request of the Holder, the Calculation Agent will provide the interest rate then in effect and, if determined, the interest rate which will become effective on the next Interest Reset Date.

All percentages resulting from any calculation of the rate of interest on a Floating Rate Note will be rounded, if necessary, to the nearest one hundred-thousandth of a percent (.000001), with five one-millionths of a percentage point rounded upward, and all dollar amounts used in or resulting from such calculation on Floating Rate Notes will be rounded to the nearest cent (with one-half cent being rounded upward).

Determination of CD Rate. If the Interest Rate Basis, as specified above, is, or is calculated by reference to, the CD Rate, unless otherwise specified above, the “CD Rate” for each Interest Reset Date will be determined by the Calculation Agent as of the second Business Day prior to such Interest Reset Date (a “CD Interest Determination Date”) and shall be the rate on the applicable CD Interest Determination Date for negotiable United States dollar certificates of deposit having the Index Maturity specified above as published in H.15(519) (as defined below) on such CD Interest Determination Date under the heading “CDs (secondary market).” If the rate referred to in the preceding sentence is not so published by 3:00 p.m., New York City time, on the applicable Calculation Date, the CD Rate shall be the rate on the applicable CD Interest Determination Date for negotiable United States dollar certificates of deposit of the Index Maturity specified above as published in H.15 Daily Update (as defined below), or other

recognized electronic source used for the purpose of displaying the applicable rate, under the caption “CDs (secondary market).” If the rate referred to in the preceding sentence is not so published by 3:00 p.m., New York City time, on the applicable Calculation Date, the CD Rate shall be the rate on the applicable CD Interest Determination Date calculated by the Calculation Agent on the Notes as the arithmetic mean of the secondary market offered rates as of 10:00 a.m., New York City time, on the applicable CD Interest Determination Date, of three leading non-bank dealers in negotiable United States dollar certificates of deposit in the City of New York (which may include an agent or its affiliates) selected by the Company for negotiable United States dollar certificates of deposit of major United States money market banks with a remaining maturity closest to the Index Maturity specified above in an amount that is representative for a single transaction in that market at that time. If the dealers selected by the Company as provided in the preceding sentence are not quoting as mentioned in such sentence, the CD Rate shall be the CD Rate in effect on the applicable CD Interest Determination Date.

“H.15(519)” means the weekly statistical release designated as H.15(519), or any successor publication, published by the Board of Governors of the Federal Reserve System.

“H.15 Daily Update” means the daily update of H.15(519), available through the world-wide-web site of the Board of Governors of the Federal Reserve System at <http://www.federalreserve.gov/releases/h15/update>, or any successor site or publication.

Determination of CMT Rate. If the Interest Rate Basis, as specified above, is, or is calculated by reference to, the CMT Rate, unless otherwise specified above, the “CMT Rate” for each Interest Reset Date will be determined by the Calculation Agent as of the second Business Day prior to such Interest Reset Date (a “CMT Interest Determination Date”) and shall be, if “CMT Reuters Page FRBCMT” is specified above, the percentage equal to the yield for United States Treasury securities at “constant maturity” having the Index Maturity specified above, as the yield is displayed on Reuters, Inc. (or any successor or similar service), on page FRBCMT (or any other page as may replace the specified page on that service under the caption “Treasury Constant Maturities”) (“Reuters Page FRBCMT”). If the rate referred to in the preceding sentence does not appear on Reuters Page FRBCMT, the CMT Rate for such CMT Interest Determination Date will be a percentage equal to the yield for United States Treasury securities at “constant maturity” having the Index Maturity specified above, and for the applicable CMT Interest Determination Date as published in H.15(519) under the caption “Treasury Constant Maturities.” In the event the rate referred to in the preceding sentence does not appear in H.15(519), then the CMT Rate for such CMT Interest Determination Date will be the rate on the applicable CMT Interest Determination Date for the period of the Index Maturity specified above, as may then be published by either the Board of Governors of the Federal Reserve System or the United States Department of the Treasury that the Calculation Agent determines to be comparable to the rate which would otherwise have been published in H.15(519). In the event the rate referred to in the preceding sentence is not published, the CMT Rate on the applicable CMT Interest Determination Date will be calculated by the Calculation Agent as a yield-to-maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 p.m., New York City time, on the applicable CMT Interest Determination Date of three leading primary United States government securities dealers in the City of New York, which may include an agent of the Company or such agent’s affiliates (each a “Reference Dealer”), selected by the Company (from five Reference Dealers selected by the Company and eliminating the highest quotation (or, in the event of equality, one of the highest), and the lowest quotation (or, in the

event of equality, one of the lowest)), for United States Treasury securities with an original maturity equal to the Index Maturity specified above, a remaining term to maturity no more than one year shorter than the Index Maturity specified above and in a principal amount that is representative for a single transaction in the securities in the market at that time. If fewer than five but more than two of the prices referred to in the above sentence are provided as requested, the CMT Rate on the applicable CMT Interest Determination Date will be calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained, and neither the highest nor the lowest of the quotations shall be eliminated; *provided, however*, that if fewer than three prices referred to above are provided as requested, the CMT Rate on the applicable CMT Interest Determination Date will be calculated by the Calculation Agent as a yield-to-maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 p.m., New York City time, on the applicable CMT Interest Determination Date of three Reference Dealers selected by the Company from five Reference Dealers selected by the Company and eliminating the highest quotation or, in the event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity greater than the Index Maturity specified above, and a remaining term to maturity closest to the Index Maturity specified above, and in a principal amount that is representative for a single transaction in the securities in the market at that time. However, if fewer than five but more than two prices referred to above are provided as requested, the CMT Rate on the applicable CMT Interest Determination Date will be calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained, and neither the highest nor the lowest of the quotations will be eliminated. If fewer than three prices referred to above are provided as requested, the CMT Rate on the applicable CMT Interest Determination Date will be the CMT Rate in effect on the applicable CMT Interest Determination Date. If the CMT Reuters Page FEDCMT is specified above, the CMT Rate for such CMT Interest Determination Date will be a percentage equal to the one-week or one-month, as specified above, and will be the average yield for United States Treasury securities at “constant maturity” having the Index Maturity specified above, as the yield is displayed on Reuters, Inc. (or any successor service) on page FEDCMT (or any other page as may replace that specified page on that service) (“Reuters Page FEDCMT”), for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the related CMT Interest Determination Date falls. If the rate referred to in the preceding sentence does not appear on Reuters Page FEDCMT, then the CMT Rate for such CMT Interest Determination Date will be a percentage equal to the one-week or one-month, as specified above, average yield for United States Treasury securities at “constant maturity” having the Index Maturity specified above, and for the week or month, as applicable, preceding the applicable CMT Interest Determination Date as published in H.15(519) opposite the caption “Treasury Constant Maturities.” If the rate referred to in the preceding sentence does not appear in H.15(519), then the CMT Rate for such CMT Interest Determination Date will be the one-week or one-month, as specified above, average yield for United States Treasury securities at “constant maturity” having the Index Maturity specified above, as otherwise announced by the Federal Reserve Bank of New York for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the related CMT Interest Determination Date falls. If the Federal Reserve Bank of New York does not publish the rate referred to above, the rate on the applicable CMT Interest Determination Date will be calculated by the Calculation Agent as a yield-to-maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 p.m., New York City time, on the applicable CMT Interest Determination Date of three Reference Dealers selected by the Company (from five Reference Dealers selected by the Company and eliminating the highest quotation (or, in the

event of equality, one of the highest), and the lowest quotation (or, in the event of equality, one of the lowest)), for United States Treasury securities with an original maturity equal to the Index Maturity specified above, and a remaining term to maturity no more than one year shorter than the Index Maturity specified above, and in a principal amount that is representative for a single transaction in the securities in the market at that time. If fewer than five but more than two of the prices referred to above are provided as requested, the rate on the applicable CMT Interest Determination Date will be calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained, and neither the highest nor the lowest of the quotations shall be eliminated. If fewer than three prices referred to above are provided as requested, the rate on the applicable CMT Interest Determination Date will be calculated by the Calculation Agent as a yield-to-maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 p.m., New York City time, on the applicable CMT Interest Determination Date of three Reference Dealers selected by the Company (from five Reference Dealers selected by the Company and eliminating the highest quotation or (in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest)), for United States Treasury securities with an original maturity greater than the Index Maturity specified above, and a remaining term to maturity closest to the Index Maturity specified above and will be in a principal amount that is representative for a single transaction in the securities in the market at that time. If fewer than five but more than two prices referred to above are provided as requested, the rate will be calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained, and neither the highest nor the lowest of the quotations will be eliminated, or if fewer than three prices referred to above are provided as requested, the CMT Rate will be the CMT Rate in effect on the applicable CMT Interest Determination Date. If two United States Treasury securities with an original maturity greater than the Index Maturity as specified above have remaining terms to maturity equally close to the Index Maturity specified above, the quotes for the United States Treasury security with the shorter original remaining term to maturity will be used.

Determination of Commercial Paper Rate. If the Interest Rate Basis, as specified above, is, or is calculated by reference to, the Commercial Paper Rate, unless otherwise specified above, the “Commercial Paper Rate” for each Interest Reset Date will be determined by the Calculation Agent as of the second Business Day prior to such Interest Reset Date (a “Commercial Paper Interest Determination Date”) and shall be the Money Market Yield (as defined below) on such date of the rate for commercial paper having the Index Maturity as indicated above, as such rate shall be published in H.15(519) under the caption “Commercial Paper-Nonfinancial.” In the event that such rate is not published prior to 3:00 p.m., New York City time, on the applicable Calculation Date, then the Commercial Paper Rate shall be calculated by the Calculation Agent as the Money Market Yield of the Commercial Paper Rate on the applicable Commercial Paper Interest Determination Date for commercial paper having the Index Maturity specified above, published in H.15 Daily Update, or other recognized electronic source used for the purpose of displaying the applicable rate, under the caption “Commercial Paper-Nonfinancial.” If by 3:00 p.m., New York City time, on the applicable Calculation Date, such rate is not yet published as provided in the preceding sentence, then the Commercial Paper Rate on the applicable Commercial Paper Interest Determination Date shall be calculated by the Calculation Agent as the Money Market Yield of the arithmetic mean of the offered rates at approximately 11:00 a.m., New York City time, on the applicable Commercial Paper Interest Determination Date of three leading dealers of United States dollar commercial paper in the City of New York, which may include an agent of the Company or such agent’s

affiliates, selected by the Calculation Agent for commercial paper having the Index Maturity specified above, placed for industrial issuers whose bond rating is “Aa,” or the equivalent, from a nationally recognized statistical rating organization; *provided, however*, that if the dealers selected as aforesaid by the Company are not quoting offered rates as mentioned in this sentence, the Commercial Paper Rate will be the Commercial Paper Rate in effect on the applicable Commercial Paper Interest Determination Date.

“Money Market Yield” shall be a yield calculated in accordance with the following formula and expressed as a percentage:

$$\text{Money market yield} = \frac{\text{Dx360}}{360 - (\text{DxM})} \times 10$$

where “D” refers to the applicable per annum rate for commercial paper quoted on a bank discount basis and expressed as a decimal; and “M” refers to the actual number of days in the interest period for which interest is being calculated.

Determination of Federal Funds Rate. If the Interest Rate Basis, as specified above, is, or is calculated by reference to the Federal Funds Rate, unless otherwise specified above, the “Federal Funds Rate” with respect to each Interest Reset Date will be determined by the Calculation Agent as of the first Business Day prior to such Interest Reset Date (a “Federal Funds Interest Determination Date”) and shall be the rate on that date for United States dollar Federal Funds as published in H.15(519) under the heading “Federal Funds (Effective),” as displayed on Reuters, Inc. (or any successor service) on page FEDFUND01 (or any other page as may replace the applicable page on that service) (“Reuters Page FEDFUND01”) or, if such rate does not appear on Reuters Page FEDFUND01, or is not so published by 3:00 p.m., New York City time, on the applicable Calculation Date, the rate on the applicable Federal Funds Interest Determination Date for United States dollar Federal Funds will be the rate on such Federal Funds Interest Determination Date as published in H.15 Daily Update, or other recognized electronic source used for the purpose of displaying the applicable rate, under the caption “Federal Funds (Effective).” If such rate is not so published by 3:00 p.m., New York City time, on the applicable Calculation Date, the Federal Funds Rate will be calculated by the Calculation Agent and will be the arithmetic mean of the rates for the last transaction in overnight United States dollar Federal Funds arranged by three leading brokers of United States dollar Federal Funds transactions in the City of New York, which may include an agent of the Company or such agent’s affiliates, selected by the Company before 9:00 a.m., New York City time, on the applicable Federal Funds Interest Determination Date; *provided, however*, that if the brokers selected as aforesaid by the Company are not quoting as mentioned in this sentence, the Federal Funds Rate will be the Federal Funds Rate in effect on the applicable Federal Funds Interest Determination Date.

Determination of Prime Rate. If the Interest Rate Basis, as specified above, is, or is calculated by reference to, the Prime Rate, unless otherwise specified above, the “Prime Rate” with respect to each Interest Reset Date will be determined by the Calculation Agent as of the first Business Day prior to such Interest Reset Date (a “Prime Interest Determination Date”) and shall be the rate set forth on such date as published in H.15(519) under the caption “Bank Prime Loan,” or if not so published prior to 3:00 p.m., New York City time, on the applicable Calculation Date pertaining to such Prime Interest Determination Date, then the Prime Rate. will be as published in H.15 Daily Update, or such other recognized electronic source used for the

purpose of displaying the applicable rate under the caption “Bank Prime Loan,” or if not so published prior to 3:00 p.m., New York City time, on the applicable Calculation Date pertaining to such Prime Interest Determination Date, then the Prime Rate will be determined by the Calculation Agent as the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Screen US PRIME 1 Page (as defined below) as the particular bank’s prime rate or base lending rate as of 11:00 a.m., New York City time, on the applicable Prime Interest Determination Date. If fewer than four such rates are so published by 3:00 p.m., New York City time, on the applicable Calculation Date as shown on the Reuters Screen US PRIME 1 Page for the Prime Interest Determination Date, the Prime Rate will be determined by the Calculation Agent as the arithmetic mean of the prime rates or base lending rates quoted on the basis of the actual number of days in the year divided by a 360-day year as of the close of business on the applicable Prime Interest Determination Date by three major banks, which may include an agent of the Company or such agent’s affiliates, in the City of New York selected by the Company. However, if the banks selected by the Company are not quoting as mentioned in the preceding sentence, the Prime Rate will be the Prime Rate in effect on the applicable Prime Interest Determination Date.

“Reuters Screen US PRIME 1 Page” means the display on the Reuter Money 3000 Service or any successor service on the “US PRIME 1 Page” or other page as may replace US PRIME 1 Page on that service for the purpose of displaying prime rates or base lending rates of major United States banks.

Determination of Treasury Rate. If the Interest Rate Basis, as specified above, is, or is calculated by reference to the Treasury Rate, unless otherwise specified above, the “Treasury Rate” for each Interest Reset Date will be the rate from the auction held on the applicable Interest Determination Date (the “Auction”) of direct obligations of the United States (“Treasury Bills”) having the Index Maturity, as specified above, as published under the caption “INVESTMENT RATE” on the display on Reuters, Inc. or any successor or similar service on page USAUCTION 10 or any other page as may replace page USAUCTION 10 on that service (“Reuters Page USAUCTION 10”) or page USAUCTION 11 on that service (“Reuters Page USAUCTION 11”), or, if the rate is not so published by 3:00 p.m., New York City time, on the applicable Calculation Date pertaining to such Treasury Rate Determination Date (as defined below), the Bond Equivalent Yield of the rate for the applicable Treasury Bills as published in H.15 Daily Update, or other recognized electronic source used for the purpose of displaying the applicable rate, under the caption “U.S. Government Securities/Treasury Bills/Auction High,” or, if the rate is not so published by 3:00 p.m., New York City time, on the applicable Calculation Date pertaining to such Treasury Rate Determination Date, the Bond Equivalent Yield of the auction rate of the applicable Treasury Bills announced by the United States Department of the Treasury, or, if the rate is not announced by the United States Department of the Treasury, or if the Auction is not held, the Bond Equivalent Yield of the rate on the applicable Treasury Rate Determination Date of Treasury Bills having the Index Maturity specified above, published in H.15(519) under the caption “U.S. Government Securities/Treasury Bills/Secondary Market,” or, if the rate is not so published by 3:00 p.m., New York City time, on the applicable Calculation Date pertaining to such Treasury Rate Determination Date, the rate on the applicable Treasury Rate Determination Date of the applicable Treasury Bills as published in H.15 Daily Update, or other recognized electronic source used for the purpose of displaying the applicable rate, under the caption “U.S. Government Securities/Treasury Bills/Secondary Market.” In the event that the results of the auction of Treasury Bills having the applicable Index Maturity specified above are not published

or reported, as provided above, by 3:00 p.m., New York City time, on the applicable Calculation Date or if no such auction is held on such Treasury Rate Determination Date, then the Treasury Rate on the applicable Treasury Rate Determination Date shall be calculated by the Calculation Agent and shall be the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 p.m., New York City time, on the applicable Treasury Rate Determination Date, of three primary United States government securities dealers, which may include the agent or its affiliates, selected by the Company, for the issue of Treasury Bills with a remaining maturity closest to the Index Maturity specified above; *provided, however*, that if the dealers selected as aforesaid by the Company are not quoting as mentioned in this sentence, the Treasury Rate will be the Treasury Rate in effect on the applicable Treasury Rate Determination Date.

The “Treasury Rate Determination Date” for any Interest Reset Date will be the day of the week in which such Interest Reset Date falls on which Treasury Bills would normally be auctioned. Treasury Bills are normally sold at auction on Monday of each week, unless that day is a legal holiday, in which case the auction is normally held on the following Tuesday, except such auction may be held on the preceding Friday. If, as the result of a legal holiday, an auction is so held on the preceding Friday, such Friday will be the Treasury Rate Determination Date pertaining to the Interest Reset Date occurring in the next succeeding week.

“Bond Equivalent Yield” means a yield calculated in accordance with the following formula and expressed as a percentage:

$$\text{Bond Equivalent Yield} = \frac{D \times N}{360 - (D \times M)} \times 10$$

where “D” refers to the applicable per annum rate for Treasury Bills quoted on a bank discount basis and expressed as a decimal; “N” refers to 365 or 366, as the case may be, and “M” refers to the actual number of days in the interest period for which interest is being calculated.

Provisions Applicable To Both Fixed Rate Notes And Floating Rate Notes:

The interest so payable on any Interest Payment Date will, subject to certain exceptions in the Indenture hereinafter referred to, be paid to the person in whose name this Note is registered at the close of business on the Regular Record Date (as defined below) immediately preceding such Interest Payment Date or, if the Interest Payment Date is the Maturity Date or the date of earlier redemption or repayment, to the person in whose name this Note is registered at the close of business on the Maturity Date or such earlier date of redemption or repayment; *provided, however*, that if the Original Issue Date is between a Regular Record Date and an Interest Payment Date or on an Interest Payment Date, interest for the period from and including the Original Issue Date to, but excluding, the Interest Payment Date relating to such Regular Record Date shall be paid on the next succeeding Interest Payment Date to the person in whose name this Note is registered on the close of business on the Regular Record Date preceding such Interest Payment Date. If this Note bears interest at a Fixed Rate, as specified above, unless otherwise specified above, the “Regular Record Date” with respect to any Interest Payment Date shall be the 28th day of February and the 31st day of August, whether or not a Business Day, immediately preceding the related Interest Payment Date. If this Note bears interest at a Floating Rate, as specified above, the “Regular Record Date” with respect to any Interest Payment Date

shall be the fifteenth calendar day next preceding such Interest Payment Date, whether or not such date shall be a Business Day.

Payment of principal, premium, if any, and interest in respect of this Note due on the Maturity Date or any earlier redemption or repayment date will be made in immediately available funds upon presentation and surrender of this Note; *provided, however*, that if a Specified Currency is specified above and such payment is to be made in such Specified Currency in accordance with the provisions set forth below, such payment will be made by wire transfer of immediately available funds to an account with a bank designated by the Holder hereof at least 15 calendar days prior to the Maturity Date or such earlier redemption or repayment date, as the case may be, *provided that* such bank has appropriate facilities therefor and that this Note is presented and surrendered at the Place of Payment specified above in time for the Trustee to make such payment in such funds in accordance with its normal procedures. Payment of interest due on any Interest Payment Date, other than the Maturity Date or any earlier redemption or repayment date, will be made at the Place of Payment specified above.

Whenever in this Note or in the Indenture there is a reference, in any context, to the payment of the principal of, or interest, if any, on, or in respect of, the Notes, such payment shall be deemed to include the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect of such payment pursuant to the provisions hereof or thereof and express mention of the payment of Additional Amounts (if applicable) in any provision hereof or thereof shall not be construed as excluding Additional Amounts in those provisions hereof where such express mention is not made.

The Company is obligated to make payment of principal, premium, if any, and interest in respect of this Note in United States dollars or, if a Specified Currency is indicated above, in such Specified Currency (or, if such Specified Currency is not at the time of such payment legal tender for the payment of public and private debts of the country issuing such currency or, in the case of the Euro, in the member states of the European Union that have adopted the single currency in accordance with the Treaty Establishing the European Community, as amended by the Treaty on European Union, such other currency which is then such legal tender in such country or in the adopting member states of the European Union, as the case may be). If a Specified Currency is specified above, except as otherwise provided below, any such amounts so payable by the Company will be converted by a New York clearing house bank designated by the Company (the “Exchange Rate Agent”) into United States dollars for payment to the Holder of this Note.

If a Specified Currency is specified above, the Holder of this Note may elect to receive any amount payable hereunder in such Specified Currency. If the Holder of this Note shall not have duly made an election to receive all or a specified portion of any payment of principal, premium, if any, and/or interest in respect of this Note in such Specified Currency, any United States dollar amount to be received by the Holder of this Note will be based on the highest bid quotation in the City of New York received by the Exchange Rate Agent at approximately 11:00 a.m., New York City time, on the second Business Day preceding the applicable payment date from three recognized foreign exchange dealers (one of whom may be the Exchange Rate Agent) selected by the Exchange Rate Agent and approved by the Company for the purchase by the quoting dealer of the Specified Currency for United States dollars for settlement on such payment date in the aggregate amount of the Specified Currency payable to all Holders of Notes

scheduled to receive United States dollar payments and at which the applicable dealer commits to execute a contract. All currency exchange costs will be borne by the Holder of this Note by deductions from such payments. If three such bid quotations are not available, payments on this Note will be made in the Specified Currency.

If a Specified Currency is specified above, the Holder of this Note may elect to receive all or a specified portion of any payment of principal, premium, if any, and/or interest in respect of this Note in such Specified Currency by submitting a written request for such payment to the Trustee at the Place of Payment on or prior to the applicable Record Date or at least 15 calendar days prior to the Maturity Date (or any earlier redemption or repayment date), as the case may be. Such written request may be mailed or hand delivered or sent by facsimile transmission. The Holder of this Note may elect to receive all or a specified portion of all future payments in the Specified Currency in respect of such principal, premium, if any, and/or interest and need not file a separate election for each payment. Such election will remain in effect until revoked by written notice to the Trustee, but written notice of any such revocation must be received by the Trustee on or prior to the applicable Record Date or at least 15 calendar days prior to the Maturity Date (or any earlier redemption or repayment date), as the case may be.

If a Specified Currency is specified above and the Holder of this Note shall have duly made an election to receive all or a specified portion of any payment of principal, premium, if any, and/or interest in respect of this Note in such Specified Currency, but such Specified Currency is not available for such payment due to the imposition of exchange controls or other circumstances beyond the control of the Company, the Company will be entitled to satisfy its obligations to the Holder of this Note by making such payment in United States dollars on the basis of the Market Exchange Rate (as defined below) determined by the Exchange Rate Agent on the second Business Day prior to such payment date or, if such Market Exchange Rate is not then available, on the basis of the most recently available Market Exchange Rate on or before the date on which such payment is due. The “Market Exchange Rate” for the Specified Currency means the noon dollar buying rate in the City of New York for cable transfers of the Specified Currency as certified for customs purposes (or, if not so certified, as otherwise determined) by the Federal Reserve Bank of New York. Any payment made in United States dollars under such circumstances shall not constitute an Event of Default (as defined in the Indenture).

All determinations referred to above made by the Exchange Rate Agent shall be at its sole discretion and shall, in the absence of manifest error, be conclusive for all purposes and binding on the Holder of this Note.

In case an Event of Default (as defined in the Indenture) with respect to Notes of this series shall occur and be continuing, the principal amount (or, if the Note is an Original Issue Discount Note, such lesser portion of the principal amount as may be applicable) of the Notes of this series may be declared due and payable, and, with respect to certain Events of Default, shall automatically become due and payable, in each case in the manner and with the effect provided in the Indenture. If this Note is an Original Issue Discount Note, in the event of an acceleration of the Maturity Date hereof, the amount payable to the Holder of this Note upon such acceleration will be determined by this Note but will be an amount less than the amount payable at the Maturity Date of this Note.

The Indenture permits, with certain exceptions as therein provided, the modification of the rights and obligations of the Company and the Guarantor and the rights of the Holders of the

Debt Securities (as defined in the Indenture) of each series to be affected by such modification under the Indenture at any time by the Company and the Guarantor with the consent of the holders of not less than a majority in aggregate principal amount of the Outstanding Debt Securities (as defined in the Indenture) of each series to be affected by such modification. The Indenture also contains provisions permitting the Holders of specified percentages in aggregate principal amount of the Outstanding Debt Securities of each series, on behalf of the Holders of all Debt Securities of such series, to waive compliance by the Company and the Guarantor with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences.

This Note is issuable only in registered form without coupons in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof or other Authorized Denomination specified above.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Note may be registered in the Debt Security Register (as defined in the Indenture) of this series upon surrender of this Note for registration of transfer at the Place of Payment specified above, duly endorsed by or accompanied by, a written instrument of transfer in form satisfactory to the Company and the Trustee, duly executed by the Holder hereof or his attorney duly authorized in writing, and thereupon a new Note or Notes of this series of Authorized Denomination and for the same aggregate principal amount, with the Guarantee endorsed thereon, will be issued to the designated transferee or transferees.

No service charge shall be made for any such registration of transfer, exchange or redemption of the Notes, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The Trustee, and any agent of the Company or the Trustee may treat the person in whose name this Note is registered in the Debt Security Register as the owner of this Note for all purposes (other than for the determination of any Additional Amounts payable) and neither the Company nor the Trustee nor any such agent shall be affected by any notice to the contrary.

Prior to February 10, 2028 (one month prior to their maturity date) (the “Par Call Date”), the Company may redeem the Notes at its option, in whole or in part, at any time and from time to time, at a redemption price (expressed as a percentage of principal amount and rounded to three decimal places) equal to the greater of:

- the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the redemption date (assuming the Notes matured on the Par Call Date) on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 35 basis points less (b) interest accrued to the date of redemption, and
- 100% of the principal amount of the Notes to be redeemed,

plus, in either case, accrued and unpaid interest thereon to the redemption date.

On or after the Par Call Date, the Company may redeem the Notes, in whole or in part, at any time and from time to time, at a redemption price equal to 100% of the principal amount of the Notes being redeemed plus accrued and unpaid interest thereon to the redemption date.

If any redemption date falls on a day that is not a Business Day, the related payment of the redemption price and interest will be made on the next Business Day as if it were made on the date such payment was due, and no interest will accrue on the amounts so payable for the period from and after such date to the next Business Day.

“Treasury Rate” means, with respect to any redemption date, the yield determined by the Company in accordance with the following two paragraphs.

The Treasury Rate shall be determined by the Company after 4:15 p.m., New York City time (or after such time as yields on U.S. government securities are posted daily by the Board of Governors of the Federal Reserve System), on the third business day preceding the redemption date based upon the yield or yields for the most recent day that appear after such time on such day in the most recent statistical release published by the Board of Governors of the Federal Reserve System designated as “Selected Interest Rates (Daily) - H.15” (or any successor designation or publication) (“H.15”) under the caption “U.S. government securities—Treasury constant maturities—Nominal” (or any successor caption or heading) (“H.15 TCM”). In determining the Treasury Rate, the Company shall select, as applicable: (1) the yield for the Treasury constant maturity on H.15 exactly equal to the period from the redemption date to the Par Call Date (the “Remaining Life”); or (2) if there is no such Treasury constant maturity on H.15 exactly equal to the Remaining Life, the two yields – one yield corresponding to the Treasury constant maturity on H.15 immediately shorter than and one yield corresponding to the Treasury constant maturity on H.15 immediately longer than the Remaining Life – and shall interpolate to the Par Call Date on a straight-line basis (using the actual number of days) using such yields and rounding the result to three decimal places; or (3) if there is no such Treasury constant maturity on H.15 shorter than or longer than the Remaining Life, the yield for the single Treasury constant maturity on H.15 closest to the Remaining Life. For purposes of this paragraph, the applicable Treasury constant maturity or maturities on H.15 shall be deemed to have a maturity date equal to the relevant number of months or years, as applicable, of such Treasury constant maturity from the redemption date.

If on the third Business Day preceding the redemption date H.15 TCM is no longer published, the Company shall calculate the Treasury Rate based on the rate per annum equal to the semi-annual equivalent yield to maturity at 11:00 a.m., New York City time, on the second Business Day preceding such redemption date of the United States Treasury security maturing on, or with a maturity that is closest to, the Par Call Date, as applicable. If there is no United States Treasury security maturing on the Par Call Date but there are two or more United States Treasury securities with a maturity date equally distant from the Par Call Date, one with a maturity date preceding the Par Call Date and one with a maturity date following the Par Call Date, the Company shall select the United States Treasury security with a maturity date preceding the Par Call Date. If there are two or more United States Treasury securities maturing on the Par Call Date or two or more United States Treasury securities meeting the criteria of the preceding sentence, the Company shall select from among these two or more United States Treasury securities the United States Treasury security that is trading closest to par based upon the average of the bid and asked prices for such United States Treasury securities at 11:00 a.m.,

New York City time. In determining the Treasury Rate in accordance with the terms of this paragraph, the semi-annual yield to maturity of the applicable United States Treasury security shall be based upon the average of the bid and asked prices (expressed as a percentage of principal amount) at 11:00 a.m., New York City time, of such United States Treasury security, and rounded to three decimal places.

The Company's actions and determinations in determining the redemption price shall be conclusive and binding for all purposes, absent manifest error. The Trustee shall have no responsibility in calculating the redemption price.

Notice of any redemption will be mailed or electronically delivered (or otherwise transmitted in accordance with the Depository's procedures) at least 10 days but not more than 60 days before the redemption date to the Holder hereof in accordance with Section 15.03 of the Indenture, except that redemption notices may be provided more than 60 days prior to the redemption date if the notice is issued in connection with the defeasance or discharge of the Notes and/or the Indenture. Notwithstanding anything to the contrary in the foregoing, notice of any redemption to the Holder hereof may, in the Company's discretion, be subject to one or more conditions precedent, including completion of a corporate transaction. In such event, the related notice of redemption will describe each such condition and, if applicable, will state that, in the Company's discretion, the date of redemption may be delayed until such time as any or all such conditions shall be satisfied or waived, or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied or waived by the date of redemption, or by the date of redemption as so delayed.

In the case of a partial redemption, selection of the Notes for redemption will be made pro rata, by lot or by such other method as the Trustee in its sole discretion deems appropriate and fair. No Notes of a principal amount of \$2,000 or less will be redeemed in part. If any Note is to be redeemed in part only, the notice of redemption that relates to the Note will state the portion of the principal amount of the Note to be redeemed. A new Note in a principal amount equal to the unredeemed portion of the Note will be issued in the name of the Holder upon surrender for cancellation of the original Note. For so long as the Notes are held by the Depository, the redemption of the Notes shall be done in accordance with the policies and procedures of the Depository.

Unless the Company defaults in the payment of the redemption price on and after the redemption date, interest will cease to accrue on the principal amount of this Note called for redemption.

This Note will not be subject to, or have the benefit of, any sinking fund.

Subject to Article Thirteen of the Indenture, if an HDI Change of Control Triggering Event (as defined below) occurs, unless the Company has exercised its option to redeem this Note as described above, the Company will be required to make an offer (the "Change of Control Offer") to each Holder of the Notes to repurchase all or any part (equal to \$2,000 or an integral multiple of \$1,000 in excess thereof) of such Holder's Notes on the terms set forth herein. In the Change of Control Offer, the Company will be required to offer payment in cash equal to 101% of the aggregate principal amount of Notes repurchased, plus accrued and unpaid interest, if any, on the Notes repurchased to, but excluding, the date of repurchase (the "Change of Control Payment").

Subject to Article Thirteen of the Indenture, within 30 days following any HDI Change of Control Triggering Event or, at the Company's option, prior to any HDI Change of Control (as defined below), but after public announcement by HDI (as defined below) of the transaction that constitutes, or would constitute upon consummation thereof, an HDI Change of Control, a notice will be delivered to Holders of the Notes describing the transaction that constitutes, or would constitute upon consummation thereof, the HDI Change of Control Triggering Event and offering to repurchase such Notes on the date specified in the notice. Such date will be no earlier than 10 days and no later than 60 days from the date such notice is delivered, other than as may be required by law (the "Change of Control Payment Date"). The notice will, if delivered prior to the date of consummation of the HDI Change of Control, state that the offer to purchase is conditioned on the HDI Change of Control Triggering Event occurring on or prior to the Change of Control Payment Date.

If any Change of Control Payment Date falls on a day that is not a Business Day, the related payment of the Change of Control Payment will be made on the next Business Day as if it were made on the date such payment was due, and no interest will accrue on the amounts so payable for the period from and after such date to the next Business Day.

On the Change of Control Payment Date, the Company will, to the extent lawful, (i) accept for payment all Notes or portions of Notes properly tendered and not validly withdrawn pursuant to the Change of Control Offer; (ii) deposit with the paying agent an amount equal to the Change of Control Payment in respect of all such Notes or portions of Notes properly tendered and not validly withdrawn; and (iii) deliver or cause to be delivered to the Trustee such Notes properly accepted together with a Company Officers' Certificate (as defined in the Indenture) stating the aggregate principal amount of such Notes or portions of Notes being repurchased.

The Company will not be required to comply with the obligations relating to repurchasing the Notes if a third-party instead satisfies them.

The Company must comply with the requirements of Rule 14e-1 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and any other securities laws and regulations applicable to the repurchase of the Notes. To the extent that the provisions of any such securities laws or regulations conflict with the Change of Control Offer provisions of the Notes, the Company will comply with those securities laws and regulations and will not be deemed to have breached its obligations under the Change of Control Offer provisions of the Notes by virtue of any such compliance.

If Holders of not less than 95% in aggregate principal amount of the outstanding Notes properly tender and do not validly withdraw such amount of the Notes in a Change of Control Offer, and the Company, or any third-party making an offer to purchase the Notes in connection with an HDI Change of Control Triggering Event in lieu of the Company, purchase such amount of the Notes properly tendered and not validly withdrawn by such Holders, then the Company will have the right, upon notice described above, given not more than 30 days following the Change of Control Payment Date, to redeem all (but not less than all) of the Notes that remain outstanding following such purchase at a redemption price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to, but excluding, the redemption date (subject to the right of Holders of record as of the close of business on the relevant Regular

Record Date to receive interest on the applicable Interest Payment Date). If the redemption date falls on a day that is not a Business Day, the related payment of the redemption price and interest will be made on the next Business Day as if it were made on the date such payment was due, and no interest will accrue on the amounts so payable for the period from and after such date to the next Business Day.

For purposes of the Change of Control Offer provisions of the Notes, the following terms will be applicable:

“Below Investment Grade Rating Event” means the Notes cease to be rated an Investment Grade Rating by each of the Rating Agencies on any day within the 60-day period after the earlier of (1) the occurrence of an HDI Change of Control and (2) the first public announcement by Harley-Davidson, Inc. (**“HDI”**) of the intention of HDI to effect an HDI Change of Control (which 60-day period will be extended for so long as any of the Rating Agencies has publicly announced that it is considering a possible downgrade of the rating of the notes of such series); *provided that* a Below Investment Grade Rating Event otherwise arising by virtue of a particular reduction in rating shall not be deemed to have occurred in respect of a particular HDI Change of Control (and thus shall not be deemed a Below Investment Grade Rating Event for purposes of the definition of HDI Change of Control Triggering Event hereunder) if any of the Rating Agencies making the reduction in rating to which this definition would otherwise apply does not announce or publicly confirm or inform the Company in writing at the Company’s request that the reduction was the result, in whole or in part, of any event or circumstance comprised of or arising as a result of, or in respect of, the applicable HDI Change of Control (whether or not the applicable HDI Change of Control shall have occurred at the time of the Below Investment Grade Rating Event). The Trustee has no obligation to monitor the ratings of the Notes for purposes of determining the occurrence of a Below Investment Grade Rating Event.

“Fitch” means Fitch Ratings, Inc. and its successors.

“HDI Change of Control” means the occurrence of any of the following: (1) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any “person” (as that term is used in Section 13(d)(3) of the Exchange Act), other than HDI or one of its subsidiaries, becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of the Voting Stock of HDI or other Voting Stock into which the Voting Stock of HDI is reclassified, consolidated, exchanged or changed, measured by voting power rather than number of shares; or (2) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation or as a pledge for security purposes only), in one or a series of related transactions, of all or substantially all of the assets of HDI and the assets of the subsidiaries of HDI, taken as a whole, to one or more “persons” (as that term is defined in the Indenture), other than HDI or one of its subsidiaries and other than any such transaction or series of related transactions where holders of Voting Stock of HDI outstanding immediately prior thereto hold voting stock of the transferee person representing a majority of the voting power of the transferee person’s voting stock immediately after giving effect thereto. Notwithstanding the foregoing, a transaction will not be deemed to be an HDI Change of Control if (1) HDI becomes a direct or indirect wholly-owned subsidiary of a holding company and (2)(A) the direct or indirect holders of the Voting Stock of such holding company immediately following that transaction are substantially the same as the holders of the Voting Stock of HDI immediately prior to that

transaction or (B) immediately following that transaction no “person” (as that term is used in Section 13(d)(3) of the Exchange Act) (other than a holding company satisfying the requirements of this sentence) is the beneficial owner, directly or indirectly, of more than 50% of the Voting Stock of such holding company.

“HDI Change of Control Triggering Event” means the occurrence of both an HDI Change of Control and a Below Investment Grade Rating Event. Notwithstanding anything to the contrary, no HDI Change of Control Triggering Event will be deemed to have occurred in connection with any particular HDI Change of Control unless and until such HDI Change of Control has actually been consummated.

“Investment Grade Rating” means a rating equal to or higher than Baa3 by Moody’s (or its equivalent under any successor rating category of Moody’s), BBB– by S&P (or its equivalent under any successor rating category of S&P) and BBB– by Fitch (or its equivalent under any successor rating category of Fitch), and the equivalent investment grade credit rating from any replacement Rating Agency or Rating Agencies selected by the Company.

“Moody’s” means Moody’s Investors Service, Inc., a subsidiary of Moody’s Corporation, and its successors.

“Rating Agencies” means (1) each of Moody’s, S&P and Fitch, and (2) if any of Moody’s, S&P or Fitch (or in each case any replacement thereof appointed pursuant to this definition) ceases to rate the Notes or fails to make a rating of the Notes publicly available for reasons outside of the Company’s control, a “nationally recognized statistical rating organization” as defined under Section 3(a)(62) of the Exchange Act selected by the Company as a replacement agency for Moody’s, S&P and/or Fitch, as the case may be; *provided that* the Company shall give notice of any such replacement to the Trustee.

“S&P” means S&P Global Ratings, a division of S&P Global Inc. and its successors.

“Voting Stock” means, with respect to any specified “person” (as that term is used in Section 13(d)(3) of the Exchange Act), as of any date, the capital stock of such person that is at the time entitled to vote generally in the election of the board of directors of such person.

In lieu of Section 5.05 of the Indenture, the following covenant shall apply:

Limitation on Liens. The Company and the Guarantor will not, nor will they permit any Subsidiary (as defined in the Indenture) of the Company or the Guarantor to, issue or assume any Indebtedness (as defined in the Indenture) secured by a Lien (as defined in the Indenture) upon any Property (as defined in the Indenture) (now owned or hereinafter acquired) of the Company or the Guarantor or any such Subsidiary without in any such case effectively providing concurrently with the issuance or assumption of any such Indebtedness that the Notes (together with, if the Company or the Guarantor shall so determine, any other Indebtedness of the Company or the Guarantor or any such Subsidiary ranking equally with the Notes then existing or thereafter created) shall be secured equally and ratably with such Indebtedness. The restrictions set forth in the immediately preceding sentence will not, however, apply if the aggregate amount of Indebtedness issued or assumed by the Company, the Guarantor or such Subsidiaries and so secured by Liens, together with all other Indebtedness of the Company, the

Guarantor or such Subsidiaries which (if originally issued or assumed at such time) would otherwise be subject to such restrictions, but not including Indebtedness permitted to be secured under clauses (i) through (xv) of the immediately following paragraph, does not at the time such secured Indebtedness is incurred exceed 15% of the applicable Consolidated Net Tangible Assets (as defined in the Indenture).

The restrictions set forth above shall not apply to Indebtedness secured by:

- Liens existing on the date of the original issuance of the Notes;
 - Liens on any Property of any company existing at the time such company becomes a Subsidiary of the Company or the Guarantor, which Liens are not created in contemplation of such company becoming a Subsidiary of the Company or the Guarantor;
 - Liens on any Property existing at the time such Property is acquired by the Company, the Guarantor or a Subsidiary of the Company or the Guarantor, or Liens to secure the payment of all or any part of the purchase price of such Property upon the acquisition of such Property by the Company, the Guarantor or a Subsidiary of the Company or the Guarantor or to secure any Indebtedness incurred prior to, at the time of, or within 180 days after, the later of the date of acquisition of such Property and the date such Property is placed in service, for the purpose of financing all or any part of the purchase price thereof, or Liens to secure any Indebtedness incurred for the purpose of financing the cost to the Company, the Guarantor or a Subsidiary of the Company or the Guarantor of improvements to such acquired Property or to secure any Indebtedness incurred for the purpose of financing all or any part of the purchase price of the cost of construction of the Property subject to such Liens;
 - Liens securing any Indebtedness of the Company, a Subsidiary of the Company or the Guarantor owing to the Company, the Guarantor or to another Subsidiary of the Company or the Guarantor;
 - Liens created in connection with a securitization or other asset-based financing;
 - Liens with respect to the payment of taxes, assessments or governmental charges in all cases which are not yet due or which are being contested in good faith; statutory Liens of landlords and Liens of suppliers, mechanics, carriers, materialmen, warehousemen or workmen and other similar Liens imposed by law created in the ordinary course of business for amounts not yet due or which are being contested in good faith;
 - Liens incurred or deposits made in the ordinary course of business in connection with worker's compensation, unemployment insurance or other types of social security benefits or to secure the performance of bids, tenders, sales, contracts (other than for the repayment of borrowed money), surety, appeal and performance bonds;
 - Liens arising with respect to zoning restrictions, easements, licenses, reservations, covenants, rights-of-way, utility easements, building restrictions and other similar charges or encumbrances on the use of real property which do not interfere with the ordinary conduct of the business of the Company, the Guarantor or any of their respective Subsidiaries;
 - Liens of attachment or judgment with respect to judgments, writs or warrants of attachment, or similar process against the Company, the Guarantor or any of their respective Subsidiaries;
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- Liens arising from leases, subleases or licenses granted to others which do not interfere in any material respect with the business of the Company, the Guarantor or any of their respective Subsidiaries; any interest or title of the lessor in the Property subject to any operating lease (as determined in accordance with GAAP as in effect as of December 1, 2018), entered into by the Company, the Guarantor or any of their respective Subsidiaries in the ordinary course of business;
- Liens, if any, in connection with any sale/leaseback transaction;
- Liens on assets pledged in respect of Indebtedness that has been redeemed, defeased and/or discharged in accordance with the provisions thereof through the deposit of cash, cash equivalents or marketable securities (it being understood that cash collateral shall be deemed to include cash deposited with a trustee with respect to third party indebtedness); and any extension, renewal or replacement (or successive extensions, renewals or replacements) in whole or in part of any Lien referred to in the foregoing clauses (i) - (xiv); provided, however, that such new Lien is limited to the Property (or type of Property) which was subject to the prior Lien immediately before such extension, renewal or replacement, and provided, further, that the principal amount of Indebtedness secured by the prior Lien immediately before such extension, renewal or replacement is not increased.

In lieu of Section 7.01(f) and Section 7.01(i) of the Indenture, each of the following, respectively, shall constitute an Event of Default with respect to the Notes:

(f) any event of default by the Company, the Guarantor or any of their respective Subsidiaries as defined in any mortgage, indenture or instrument under which there may be issued, or by which there may be secured or evidenced, any Indebtedness of the Company, the Guarantor or any of their respective Subsidiaries, as the case may be, whether such Indebtedness now exists or shall hereafter be created, resulting in such Indebtedness in a principal amount of at least \$150,000,000 becoming or being declared due and payable prior to the date on which it would otherwise become due and payable, and such acceleration shall not be rescinded or annulled within a period of 30 days after there has been given, by overnight courier, registered or certified mail, to the Company and the Guarantor by the Trustee or to the Company, the Guarantor and the Trustee by the Holders of at least 25% in aggregate principal amount of the outstanding Notes a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a “Notice of Default” under the Indenture; and

(i) final judgment of money in excess of \$150,000,000 (not covered by third-party insurance), singularly or in the aggregate, shall be rendered against the Company or the Guarantor or any of their respective Material Subsidiaries (as defined in the Indenture) and shall remain undischarged and unstayed for a period (during which execution shall not be effectively stayed) of 60 days after such judgment becomes final.

The Company may “reopen” a previously issued tranche of Notes and issue additional Notes of such tranche or establish additional terms of such tranche or issue notes with the same terms as previously issued Notes (except for the Original Issue Date, Issue Price and, if applicable, the initial Interest Payment Date).

The Company may at any time purchase this Note at any price in the open market or otherwise. Notes so purchased by the Company may be held or resold or, at the discretion of the Company, may be surrendered to the Trustee for cancellation.

For the avoidance of doubt, Article Thirteen of the Indenture shall apply to the Notes.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligations of the Company and the Guarantor, which are absolute and unconditional, to pay the principal of, premium, if any, and interest on this Note, at the times, place and rate, and in the coin or currency, herein and in the Indenture prescribed.

This Note shall be governed by and construed in accordance with the laws of the State of New York.

By acceptance of this Note, the Holder hereof agrees to be bound by the provisions of the Indenture. Terms used herein which are defined in the Indenture shall have the respective meanings assigned thereto in the Indenture. Facsimile signatures for the purposes of the Indenture are intended to include electronic signatures (including DocuSign). This Note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by or on behalf of the Trustee under the Indenture.

None of the Trustee, the paying agent or the Calculation Agent shall be under any obligation (i) to monitor, determine or verify the unavailability or cessation of any benchmark or floating rate note index, or whether or when there has occurred, or to give notice to any other transaction party of the occurrence of, any benchmark transition event or related benchmark replacement date, (ii) to select, determine or designate any benchmark replacement, or other successor or replacement benchmark index or basis, or whether any conditions to the designation of such a rate or index have been satisfied, or (iii) to select, determine or designate any benchmark replacement adjustment, or other modifier to any replacement or successor index, or (iv) to determine whether or what benchmark replacement conforming changes are necessary or advisable, if any, in connection with any of the foregoing, including, but not limited to, adjustments as to any alternative spread thereon, the business day convention, interest determination dates or any other relevant methodology applicable to such substitute or successor benchmark. In connection with the foregoing, each of the Trustee, paying agent and Calculation Agent shall be entitled to conclusively rely on any determinations made by the Company or its designee without independent investigation, and none will have any liability for actions taken at the Company's direction in connection therewith.

None of the Trustee, the paying agent or the Calculation Agent shall be liable for any inability, failure or delay on its part to perform any of its duties set forth herein as a result of the unavailability of any benchmark or index or other applicable benchmark replacement, including as a result of any failure, inability, delay, error or inaccuracy on the part of any other transaction party in providing any direction, instruction, notice or information required or contemplated by the terms hereof and reasonably required for the performance of such duties. None of the Trustee, the paying agent or the Calculation Agent shall be responsible or liable for the Company's actions or omissions or for those of the Company's designee, or for any failure or delay in the performance by the Company or its designee, nor shall any of the Trustee, paying agent or Calculation Agent be under any obligation to oversee or monitor the Company's performance or that of its designee.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed, manually or by facsimile by an authorized signatory.

HARLEY-DAVIDSON FINANCIAL SERVICES, INC.

By:
Name:
Title:

By:
Name:
Title:

Dated: March 10, 2023

TRUSTEE’S CERTIFICATE OF AUTHENTICATION

This is one of the Debt Securities of the series designated herein and referred to in the within-mentioned Indenture.

CITIBANK, N.A.,

as Trustee
By:
Authorized Signatory

GUARANTEE

For value received, undersigned hereby fully, irrevocably and unconditionally guarantees, pursuant to the terms of the Guarantee contained in Article Sixteen of the Indenture, to the Holder of this Note and to the Trustee, on behalf of the Holder, the due and punctual payment of the principal of, and any premium, interest and any Additional Amounts on, this Note, when and as the same shall become due and payable, whether at the stated maturity, by declaration of acceleration, call for redemption or otherwise, in accordance with the terms of this Note and the Indenture. This Guarantee will not be valid or obligatory for any purpose until the Trustee duly executes the certificate of authentication on the Note upon which this Guarantee is endorsed.

Dated: March 10, 2023

HARLEY-DAVIDSON CREDIT CORP.,
a Nevada corporation

By:
Name:
Title:

Attest:

By:
Name:
Title:

ABBREVIATIONS

The following abbreviations, when used in the inscription on this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common	UNIF GIFT MIN ACT - _____ Custodian _____ (Cust) (Minor)
TEN ENT - as tenants by the entireties	under Uniform Gifts to Minors Act
JT TEN - as joint tenants with right of survivorship and not as tenant in common	(State)

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto:
(Please insert social security or other identifying number of assignee)

(Name and address of assignee, including zip code, must be printed or typewritten)
the within Note, and all rights thereunder, hereby irrevocably constituting and appointing _____ attorney to transfer said Note on the books of the
within Company, with full power of substitution in the premises.
Dated: _____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the within Note in every particular, without alteration or enlargement or any change whatever and must be guaranteed.

SIGNATURE(S) GUARANTEED:

THE SIGNATURE(S) SHOULD BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION (BANKS, STOCKBROKERS, SAVINGS AND LOAN ASSOCIATIONS AND CREDIT UNIONS WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM) PURSUANT TO SEC RULE 17Ad-15.

SCHEDULE OF INCREASES OR DECREASES IN GLOBAL NOTE

The following increases or decreases in this Global Note have been made

Date of Exchange	Amount of increase in Principal Amount of this Global Note	Amount of decrease in Principal Amount of this Global Note	Principal Amount of this Global Note following each decrease or increase	Signature of authorized signatory of Trustee
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Exhibit B to Officers' Certificate Pursuant to Sections 2.02 and 3.01 of the Indenture

PRICING SUPPLEMENT
(To Offering Memorandum dated March 7, 2023)

\$700,000,000
CONFIDENTIAL

Harley-Davidson Financial Services, Inc.
6.50% Medium-Term Notes due 2028
Payment of Principal, Premium, if any, and Interest
Fully and Unconditionally Guaranteed by Harley-Davidson Credit Corp.

[Certain identified information has been excluded from this document because it is both not material and is the type that the registrant treats as private or confidential.]
[Information omitted]

The date of this pricing supplement is March 7, 2023
[Information omitted]

DESCRIPTION OF NOTES

In this section, “we,” “us,” and “our” refer only to Harley-Davidson Financial Services, Inc. and not any of its subsidiaries. Unless the context requires otherwise, “Harley-Davidson” refers to Harley-Davidson, Inc., our parent company, “HDI” refers to Harley-Davidson and its subsidiaries as a whole, and the “Guarantor” refers to Harley-Davidson Credit Corp., our primary operating subsidiary.

General

We are offering \$700,000,000 aggregate principal amount of our 6.50% Medium-Term Notes due 2028 (the “notes”). The notes will be our unsecured senior obligations, ranking equal in right of payment to all of our unsecured and unsubordinated debt from time to time outstanding. The notes will be effectively subordinated to all of our existing and future secured debt to the extent of the value of our assets securing such debt. As of December 31, 2022, we had approximately \$3.65 billion of unsecured and unsubordinated debt outstanding and, except for secured notes that we issued through variable interest entities (“VIEs”), no secured debt.

Principal and Maturity

The notes will be limited initially in aggregate principal amount to \$700,000,000. We may, without the consent of the holders of the notes, create and issue additional notes ranking equally with the notes offered in this pricing supplement and otherwise similar in all respects (except the issue date, issue price and, if applicable, the initial interest payment date and the date from which interest shall begin to accrue); provided, however, that any additional notes that form a single series of notes with the notes offered hereby must be fungible with such previously issued and outstanding notes for U.S. federal income tax purposes. We may also issue additional notes that may have different terms than the notes offered in this pricing supplement.

We will issue the notes in fully registered form without coupons, in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. The notes will mature on March 10, 2028.

Interest

Interest on the notes will accrue at the rate of 6.50% per annum. Interest on the notes will be payable semi-annually in arrears on March 10 and September 10 of each year, beginning on September 10, 2023. We will make each interest payment to the holders of record of the notes on the February 28 and August 31 immediately preceding the related interest payment date.

Interest on the notes will accrue from September 10, 2023. Interest will be computed by us on the basis of a 360-day year consisting of twelve 30-day months. In any case where an interest payment date is not a business day, the interest payment date will be postponed to the next succeeding business day and no interest on such payment will accrue for the period from and after such interest payment date.

Payments on the Notes

All principal of, premium, if any, and interest on the notes will be payable at our office or agency in the Borough of Manhattan, the City of New York maintained for this purpose. Initially, payments will be made at the corporate trust office of the trustee. Payments of principal and interest on the notes will be made in funds which are available the same day. The notes will trade in the same day funds settlement system of The Depository Trust Company (“DTC”) until maturity, and secondary market trading activity for the notes will therefore settle in same day funds.

Transfer and Exchange

You may transfer or exchange the notes in accordance with the indenture. The transfer or exchange may be made at our office or agency in the Borough of Manhattan, the City of New York maintained for this purpose, which will initially be the corporate trust office of the trustee. No service charge will be made for any registration of transfer, exchange or redemption of notes, except in certain circumstances for any tax or other governmental charge that may be imposed. The registered holder of a note will be treated as the owner of that note for all purposes.

Optional Redemption

Prior to February 10, 2028 (one month prior to their maturity date) (the “Par Call Date”), we may redeem the notes at our option, in whole or in part, at any time and from time to time, at a redemption price (expressed as a percentage of principal amount and rounded to three decimal places) equal to the greater of:

- (a) the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the redemption date (assuming the notes matured on the Par Call Date) on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 35 basis points less
- (b) interest accrued to the date of redemption, and 100% of the principal amount of the notes to be redeemed, plus, in either case, accrued and unpaid interest thereon to the redemption date.

On or after the Par Call Date, we may redeem the notes, in whole or in part, at any time and from time to time, at a redemption price equal to 100% of the principal amount of the notes being redeemed plus accrued and unpaid interest thereon to the redemption date.

If any redemption date falls on a day that is not a business day, the related payment of the redemption price and interest will be made on the next business day as if it were made on the date such payment was due, and no interest will accrue on the amounts so payable for the period from and after such date to the next business day.

“Treasury Rate” means, with respect to any redemption date, the yield determined by us in accordance with the following two paragraphs.

The Treasury Rate shall be determined by us after 4:15 p.m., New York City time (or after such time as yields on U.S. government securities are posted daily by the Board of Governors of the Federal Reserve System), on the third business day preceding the redemption date based upon the yield or yields for the most recent day that appear after such time on such day in the most recent statistical release published by the Board of Governors of the Federal Reserve System designated as “Selected Interest Rates (Daily)—H.15” (or any successor designation or publication) (“H.15”) under the caption “U.S. government securities— Treasury constant maturities—Nominal” (or any successor caption or heading) (“H.15 TCM”). In determining the Treasury Rate, we shall select, as applicable: (1) the yield for the Treasury constant maturity on H.15 exactly equal to the period from the redemption date to the Par Call Date (the “Remaining Life”); or (2) if there is no such Treasury constant maturity on H.15 exactly equal to the Remaining Life, the two yields—one yield corresponding to the Treasury constant maturity on H.15 immediately shorter than and one yield corresponding to the Treasury constant maturity on H.15 immediately longer than the Remaining Life—and shall interpolate to the Par Call Date on a straight-line basis (using the actual number of days) using such yields and rounding the result to three decimal places; or (3) if there is no such Treasury constant maturity on H.15 shorter than or longer than the Remaining Life, the yield for the single Treasury constant maturity on H.15 closest to the Remaining Life. For purposes of this paragraph, the applicable Treasury constant maturity or maturities on H.15 shall be deemed to have a maturity date equal to the relevant number of months or years, as applicable, of such Treasury constant maturity from the redemption date.

If on the third business day preceding the redemption date H.15 TCM is no longer published, we shall calculate the Treasury Rate based on the rate per annum equal to the semi-annual equivalent yield to maturity at 11:00 a.m., New York City time, on the second business day preceding such redemption date of the United States Treasury security maturing on, or with a maturity that is closest to, the Par Call Date, as applicable. If there is no United States Treasury security maturing on the Par Call Date but there are two or more United States Treasury securities with a maturity date equally distant from the Par Call Date, one with a maturity date preceding the Par Call Date and one with a maturity date following the Par Call Date, we shall select the United States Treasury security with a maturity date preceding the Par Call Date. If there are two or more United States Treasury securities maturing on the Par Call Date or two or more United States Treasury securities meeting the criteria of the preceding sentence, we shall select from among these two or more United States Treasury securities the United States Treasury security that is trading closest to par based upon the average of the bid and asked prices for such United States Treasury securities at 11:00 a.m., New York City time. In determining the Treasury Rate in accordance with the terms of this paragraph, the semi-annual yield to maturity of the applicable United States Treasury security shall be based upon the average of the bid and asked prices (expressed as a percentage of principal amount) at 11:00 a.m., New York City time, of such United States Treasury security, and rounded to three decimal places.

Our actions and determinations in determining the redemption price shall be conclusive and binding for all purposes, absent manifest error. The trustee shall have no responsibility in calculating the redemption price.

Notice of any redemption will be mailed or electronically delivered (or otherwise transmitted in accordance with the depository’s procedures) at least 10 days but not more than 60 days before the redemption date to each holder of notes to be redeemed, except that redemption

notices may be provided more than 60 days prior to the redemption date if the notice is issued in connection with the defeasance or discharge of the notes and/or the indenture. Notwithstanding anything to the contrary in the foregoing, notice of any redemption to the holders of the notes may, in our discretion, be subject to one or more conditions precedent, including completion of a corporate transaction. In such event, the related notice of redemption will describe each such condition and, if applicable, will state that, in our discretion, the date of redemption may be delayed until such time as any or all such conditions shall be satisfied or waived, or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied or waived by the date of redemption, or by the date of redemption as so delayed.

In the case of a partial redemption, selection of the notes for redemption will be made pro rata, by lot or pursuant to applicable depositary procedures. No notes of a principal amount of \$2,000 or less will be redeemed in part. If any note is to be redeemed in part only, the notice of redemption that relates to the note will state the portion of the principal amount of the note to be redeemed. A new note in a principal amount equal to the unredeemed portion of the original note will be issued in the name of the holder of the note upon surrender for cancellation of the original note. For so long as the notes are held by DTC, Euroclear Bank SA/NV or Clearstream Banking S.A., (or another depositary), the redemption of the notes shall be done in accordance with the policies and procedures of the depositary.

Unless we default in payment of the redemption price, on and after the redemption date interest will cease to accrue on the notes or portions thereof called for redemption.

Except as set forth above, the notes will not be redeemable by us prior to maturity and will not be subject to, or have the benefit of, a sinking fund.

In addition to the foregoing, we may at any time and from time to time purchase notes in the open market or otherwise, subject to compliance with all applicable securities laws.

Offer to Purchase Upon HDI Change of Control Triggering Event

If an HDI Change of Control Triggering Event occurs, unless we have previously or concurrently delivered a redemption notice with respect to all of the outstanding notes as described above under “—Optional Redemption,” we will be required to make an offer (the “Change of Control Offer”) to each holder of the notes to repurchase all or any part (equal to \$2,000 or an integral multiple of \$1,000 in excess thereof) of such holder’s notes on the terms set forth in the notes. In the Change of Control Offer, we will be required to offer payment in cash equal to 101% of the aggregate principal amount of notes repurchased, plus accrued and unpaid interest, if any, on the notes repurchased to, but excluding, the date of repurchase (the “Change of Control Payment”).

Within 30 days following any HDI Change of Control Triggering Event or, at our option, prior to any HDI Change of Control, but after public announcement by HDI of the transaction that constitutes, or would constitute upon consummation thereof, an HDI Change of Control, a notice will be delivered to holders of the notes describing the transaction that constitutes, or would constitute upon consummation thereof, the HDI Change of Control Triggering Event and offering to repurchase the notes on the date specified in the notice. Such

date will be no earlier than 10 days and no later than 60 days from the date such notice is delivered, other than as may be required by law (the “Change of Control Payment Date”). The notice will, if delivered prior to the date of consummation of the HDI Change of Control, state that the offer to purchase is conditioned on the HDI Change of Control Triggering Event occurring on or prior to the Change of Control Payment Date.

If any Change of Control Payment Date falls on a day that is not a business day, the related payment of the Change of Control Payment will be made on the next business day as if it were made on the date such payment was due, and no interest will accrue on the amounts so payable for the period from and after such date to the next business day.

On the Change of Control Payment Date, we will, to the extent lawful, (i) accept for payment all notes or portions of notes properly tendered and not validly withdrawn pursuant to the Change of Control Offer, (ii) deposit with the paying agent an amount equal to the Change of Control Payment in respect of all notes or portions of notes properly tendered and not validly withdrawn and (iii) deliver or cause to be delivered to the trustee the notes properly accepted, together with an officer’s certificate stating the aggregate principal amount of notes or portions of notes being repurchased.

We will not be required to comply with the obligations relating to repurchasing the notes if a third-party instead satisfies them.

We must comply with the requirements of Rule 14e-1 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and any other securities laws and regulations applicable to the repurchase of the notes. To the extent that the provisions of any such securities laws or regulations conflict with the change of control offer provisions of the notes, we will comply with those securities laws and regulations and will not be deemed to have breached our obligations under the change of control offer provisions of the notes by virtue of any such compliance.

If holders of not less than 95% in aggregate principal amount of the outstanding notes properly tender and do not validly withdraw such notes in a Change of Control Offer, and we, or any third-party making an offer to purchase the notes in connection with an HDI Change of Control Triggering Event in lieu of us, purchase all of the notes properly tendered and not validly withdrawn by such holders, then we will have the right, upon notice given not more than 30 days following the Change of Control Payment Date, to redeem all (but not less than all) of the notes that remain outstanding following such purchase at a redemption price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to, but excluding, the redemption date (subject to the right of holders of record as of the close of business on the relevant record date to receive interest on the applicable interest payment date). If the redemption date falls on a day that is not a business day, the related payment of the redemption price and interest will be made on the next business day as if it were made on the date such payment was due, and no interest will accrue on the amounts so payable for the period from and after such date to the next business day. If a Change of Control Offer is made, there can be no assurance that we or the Guarantor will have available funds sufficient to make the Change of Control Payment for all of the notes that may be tendered for repurchase.

For purposes of the Change of Control Offer provisions of the notes, the following terms will be applicable:

“Below Investment Grade Rating Event” means the notes cease to be rated an Investment Grade Rating by each of the Rating Agencies on any day within the 60-day period after the earlier of (1) the occurrence of an HDI Change of Control and (2) the first public announcement by HDI of the intention of HDI to effect an HDI Change of Control (which 60-day period will be extended for so long as any of the Rating Agencies has publicly announced that it is considering a possible downgrade of the rating of the notes); provided that a Below Investment Grade Rating Event otherwise arising by virtue of a particular reduction in rating shall not be deemed to have occurred in respect of a particular HDI Change of Control (and thus shall not be deemed a Below Investment Grade Rating Event for purposes of the definition of HDI Change of Control Triggering Event) if any of the Rating Agencies making the reduction in rating to which this definition would otherwise apply does not announce or publicly confirm or inform us in writing at our request that the reduction was the result, in whole or in part, of any event or circumstance comprised of or arising as a result of, or in respect of, the applicable HDI Change of Control (whether or not the applicable HDI Change of Control shall have occurred at the time of the Below Investment Grade Rating Event). The trustee has no obligation to monitor the ratings of the notes for purposes of determining the occurrence of a Below Investment Grade Rating Event.

“Fitch” means Fitch Ratings Inc. and its successors. “HDI Change of Control” means the occurrence of any of the following: (1) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any “person” (as that term is used in Section 13(d)(3) of the Exchange Act), other than Harley-Davidson or one of its subsidiaries, becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of the Voting Stock of Harley-Davidson or other Voting Stock into which the Voting Stock of Harley-Davidson is reclassified, consolidated, exchanged or changed, measured by voting power rather than number of shares; or (2) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation or as a pledge for security purposes only), in one or a series of related transactions, of all or substantially all of the assets of Harley-Davidson and the assets of the subsidiaries of Harley-Davidson, taken as a whole, to one or more “persons” (as that term is defined in the indenture), other than Harley-Davidson or one of its subsidiaries and other than any such transaction or series of related transactions where holders of Voting Stock of Harley-Davidson outstanding immediately prior thereto hold voting stock of the transferee person representing a majority of the voting power of the transferee person’s voting stock immediately after giving effect thereto.

Notwithstanding the foregoing, a transaction will not be deemed to be an HDI Change of Control if (1) Harley-Davidson becomes a direct or indirect wholly-owned subsidiary of a holding company and (2)(A) the direct or indirect holders of the Voting Stock of such holding company immediately following that transaction are substantially the same as the holders of the Voting Stock of Harley-Davidson immediately prior to that transaction or (B) immediately following that transaction no “person” (as that term is used in Section 13(d)(3) of the Exchange Act) (other than a holding company satisfying the requirements of this sentence) is the beneficial owner, directly or indirectly, of more than 50% of the Voting Stock of such holding company.

“HDI Change of Control Triggering Event” means the occurrence of both an HDI Change of Control and a Below Investment Grade Rating Event. Notwithstanding anything to the contrary, no HDI Change of Control Triggering Event will be deemed to have occurred in connection with any particular HDI Change of Control unless and until such HDI Change of Control has actually been consummated.

“Investment Grade Rating” means a rating equal to or higher than Baa3 by Moody’s (or its equivalent under any successor rating category of Moody’s), BBB– by S&P (or its equivalent under any successor rating category of S&P) and BBB– by Fitch (or its equivalent under any successor rating category of Fitch), and the equivalent investment grade credit rating from any replacement Rating Agency or Rating Agencies selected by us.

“Moody’s” means Moody’s Investors Service, Inc., a subsidiary of Moody’s Corporation, and its successors.

“Rating Agencies” means (1) each of Moody’s, S&P and Fitch and (2) if any of Moody’s, S&P or Fitch (or in each case any replacement thereof appointed pursuant to this definition) ceases to rate the notes or fails to make a rating of the notes publicly available for reasons outside of our control, a “nationally recognized statistical rating organization” as defined under Section 3(a)(62) of the Exchange Act selected by us as a replacement agency for Moody’s, S&P and/or Fitch, as the case may be; provided that we shall give notice of any such replacement to the trustee.

“S&P” means S&P Global Ratings, a division of S&P Global Inc. and its successors.

“Voting Stock” means, with respect to any specified “person” (as that term is used in Section 13(d)(3) of the Exchange Act), as of any date, the capital stock of such person that is at the time entitled to vote generally in the election of the board of directors of such person.

The definition of HDI Change of Control includes a phrase relating to the direct or indirect sale, transfer, conveyance or other disposition, in one or a series of related transactions, of “all or substantially all” of the assets of Harley-Davidson and the assets of its subsidiaries, taken as a whole. Although there is a limited body of case law interpreting the phrase “substantially all,” there is no precise established definition of such phrase under applicable law. Accordingly, the ability of a holder of the notes to require us to repurchase that holder’s notes as a result of the sale, transfer, conveyance or other disposition of less than all of the assets of Harley-Davidson and the assets of its subsidiaries, taken as a whole, to one or more persons may be uncertain. Further, the terms of the notes may permit Harley-Davidson and us to engage in certain significant corporate events that would not constitute an “HDI Change of Control” that would require us to make an offer to repurchase the notes. Although a change in the composition of the Board of Directors of Harley-Davidson may be a consequence of events constituting an “HDI Change of Control” under the terms of the notes, changes in the composition of the Board of Directors of Harley-Davidson independent of any other triggering event will not alone constitute an “HDI Change of Control” under the terms of the notes.

Our obligation to purchase the notes following an HDI Change of Control Triggering Event is subject to the provisions described under the “Description of Notes—Defeasance or Covenant Defeasance” in the accompanying offering memorandum.

Covenants

The indenture governing the notes contains covenants that, among other things, limit our ability and the ability of the Guarantor to incur certain liens and to merge or consolidate. We have summarized certain of the terms and conditions of the notes below. This summary supplements the description of the general terms and conditions of the notes under the caption “Description of Notes—Certain Covenants” in the accompanying offering memorandum and, to the extent this summary is inconsistent with such description, replaces and supersedes such description. This summary of certain provisions applicable to the notes does not purport to be complete and is subject to all of the provisions of the indenture and the notes. You should read the indenture and the notes, copies of which are available from us upon request.

Limitation on Liens

As long as any of the notes are outstanding, neither we nor the Guarantor will, nor will we or it permit any of our or its respective Subsidiaries to, issue or assume any Indebtedness secured by a Lien upon any of our or its respective Property or the Property of our or its respective Subsidiaries without in any such case effectively providing concurrently with the issuance or assumption of any such Indebtedness that the notes (together with, if we or it, as applicable, shall so determine, any other of our or its Indebtedness or the Indebtedness of our or its respective Subsidiaries ranking equally with the notes then existing or thereafter created) shall be secured equally and ratably with such Indebtedness. The restrictions set forth in the immediately preceding sentence will not, however, apply if the aggregate amount of Indebtedness issued or assumed by us or the Guarantor and our or its respective Subsidiaries and so secured by Liens, together with all other Indebtedness of us or the Guarantor and our or its respective Subsidiaries which (if originally issued or assumed at such time) would otherwise be subject to such restrictions, but not including Indebtedness permitted to be secured under clauses (1) through (15) of the immediately following paragraph, does not at the time such secured Indebtedness is incurred exceed 15% of the applicable Consolidated Net Tangible Assets.

- The restrictions set forth above shall not apply to Indebtedness secured by:
 - Liens existing on the date of the original issuance of the notes;
 - Liens on any Property of any company existing at the time such company becomes a Subsidiary of us or the Guarantor, which Liens are not created in contemplation of such company becoming a Subsidiary of us or the Guarantor;
 - Liens on any Property existing at the time such Property is acquired by us or the Guarantor or by a Subsidiary of us or the Guarantor, or Liens to secure the payment of all or any part of the purchase price of such Property upon the acquisition of such Property by us or the Guarantor or a Subsidiary of us or the Guarantor or to secure any Indebtedness incurred prior to, at the time of, or within 180 days after, the later of the date of acquisition of such Property and the date such Property is placed in service, for the purpose of financing all or any part of the purchase price thereof, or Liens
 - to secure any Indebtedness incurred for the purpose of financing the cost to us or the Guarantor or to a Subsidiary of us or the Guarantor of improvements to such acquired Property or to secure any Indebtedness incurred for the purpose of financing all or any part of the purchase price of the cost of construction of the Property subject to such Liens;
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- Liens securing any Indebtedness of us or a Subsidiary of us or the Guarantor owing to us or the Guarantor or to another Subsidiary of us or the Guarantor;
- Liens created in connection with a securitization or other asset-based financing;
- Liens with respect to the payment of taxes, assessments or governmental charges in all cases which are not yet due or which are being contested in good faith;
- statutory Liens of landlords and Liens of suppliers, mechanics, carriers, materialmen, warehousemen or workmen and other similar Liens imposed by law created in the ordinary course of business for amounts not yet due or which are being contested in good faith;
- Liens incurred or deposits made in the ordinary course of business in connection with worker's compensation, unemployment insurance or other types of social security benefits or to secure the performance of bids, tenders, sales, contracts (other than for the repayment of borrowed money), surety, appeal and performance bonds;
- Liens arising with respect to zoning restrictions, easements, licenses, reservations, covenants, rights-of-way, utility easements, building restrictions and other similar charges or encumbrances on the use of real property which do not interfere with the ordinary conduct of the business of us or the Guarantor or any Subsidiary of us or the Guarantor;
- Liens of attachment or judgment with respect to judgments, writs or warrants of attachment, or similar process against us, the Guarantor or any of our or its respective Subsidiaries;
- Liens arising from leases, subleases or licenses granted to others which do not interfere in any material respect with the business of us or the Guarantor or any Subsidiary of us or the Guarantor;
- any interest or title of the lessor in the Property subject to any operating lease (as determined in accordance with GAAP as in effect as of December 1, 2018), entered into by us, the Guarantor or any of our or its respective Subsidiaries in the ordinary course of business;
- Liens, if any, in connection with any sale/leaseback transaction;
- Liens on assets pledged in respect of Indebtedness that has been redeemed, defeased and/or discharged in accordance with the provisions thereof through the deposit of cash, cash equivalents or marketable securities (it being understood that cash collateral shall be deemed to include cash deposited with a trustee with respect to third party indebtedness); and any extension, renewal or replacement (or successive extensions, renewals or replacements) in whole or in part of any Lien referred to in the foregoing clauses (1)–(14); provided, however, that such new Lien is limited to the Property (or type of Property) which was subject to the prior Lien immediately before such extension, renewal or replacement, and provided, further, that the principal amount of Indebtedness secured by the prior Lien immediately before such extension, renewal or replacement is not increased.

Events of Default

The following constitute Events of Default with respect to the notes under the indenture: neither we nor the Guarantor pays any interest upon or any additional amounts payable in respect of any interest on any of the notes when such interest or additional amounts become due and payable, and continuance of such default for a period of 30 days; or neither we nor the Guarantor pays all or any part of the principal of and premium, if any, on, any of the notes as and when the same shall become due and payable either at maturity, upon any redemption, by declaration of acceleration or otherwise; or neither we nor the Guarantor pays or satisfies any sinking fund payment, if any, with respect to the notes as and when the same shall become due and payable by the terms of the notes, and continuance of such default for a period of 30 days; or we or the

Guarantor fails to perform or observe any covenant or agreement in the indenture or the notes (while such covenant or agreement is effective) and such failure shall continue uncured for more than thirty (30) days after there has been given to us and the Guarantor by the trustee or to us, the Guarantor and the trustee by holders of at least 25% in outstanding principal amount of the notes a written notice specifying such failure and requiring it to be remedied; or the support agreement shall have been terminated or revoked or Harley-Davidson refuses to perform or otherwise breaches any of its obligations contained in the support agreement, or the support agreement or any provision thereof otherwise becomes unenforceable for any reason unless, prior to such termination, revocation, refusal to perform, breach or unenforceability, each of Standard & Poor's, Moody's and any other nationally recognized statistical rating organization then rating the notes at our request confirms that the rating assigned to the notes by such rating agency immediately prior to such termination, revocation, refusal to perform, breach or unenforceability will not be downgraded as a result of such termination, revocation, refusal to perform, breach or unenforceability of the support agreement; or an event of default, as defined in any of our mortgages, indentures or instruments under which there may be issued, or by which there may be secured or evidenced, any of our or the Guarantor's Indebtedness or any of our or its respective Subsidiaries' Indebtedness that has resulted in the acceleration of such Indebtedness in a principal amount of at least \$150,000,000, and such acceleration has not been rescinded or annulled within a period of 30 days after there has been given to us and the Guarantor by the trustee or to us, the Guarantor and the trustee by holders of at least 25% in aggregate principal amount of the outstanding notes a written notice specifying such default and requiring it to be remedied; or certain events of bankruptcy, insolvency or reorganization involving us, the Guarantor or any of our or its respective Material Subsidiaries or, so long as the support agreement shall continue in full force and effect for the benefit of the notes, Harley-Davidson; or one or more final judgments for the payment of money shall be rendered against us or the Guarantor or any of our or its respective Material Subsidiaries in an aggregate amount in excess of \$150,000,000 (excluding the amount thereof covered by third-party insurance) and such judgment shall remain undischarged and unstayed for more than 60 days; or any other Event of Default provided in or pursuant to the indenture with respect to the notes.

If an Event of Default (other than an Event of Default based on an event of our bankruptcy, insolvency or reorganization) shall occur and be continuing, either the trustee or the holders of not less than 25% in aggregate principal amount of the notes outstanding may, by written notice to us and the Guarantor (and to the trustee if given by the holders), declare the principal of, premium, if any, and accrued and unpaid interest and additional amounts, if any, on all notes outstanding to be immediately due and payable. Upon such a declaration, such principal, premium, if any, and accrued and unpaid interest will be due and payable immediately, but upon certain conditions such declaration may be annulled and past defaults (except, unless theretofore cured, a default in payment of principal, premium or interest) may be waived by the holders of a majority in aggregate principal amount of notes then outstanding. If an Event of Default due to our bankruptcy, insolvency or reorganization occurs, all unpaid principal, premium, if any, and interest in respect of the notes will automatically become due and payable without any declaration or other act on the part of the trustee or any holder.

In addition, in the event an Event of Default with respect to the notes occurs and is continuing, the trustee may, and shall, upon receipt (1) of a written direction from holders of not less than 25% aggregate principal amount of the notes outstanding, which direction shall include a certification on which the trustee may conclusively rely that we have not pursued, or are not

pursuing, our rights under the support agreement in a prompt or otherwise diligent manner, and (2) from such holders of indemnity satisfactory to the trustee against the cost, expenses and liabilities to be incurred in compliance with such direction, enforce, on behalf of the holders and on its own behalf, the obligations of Harley-Davidson to us under the support agreement (an “Enforcement Event”). If (a) the trustee for 60 days after receipt of such request and offer of indemnity has failed to institute such enforcement action, (b) no direction inconsistent with such request has been given to the trustee during such 60-day period by the holders of a majority in aggregate principal amount of the notes, and (c) a holder has given written notice of the occurrence of an Enforcement Event, then such holder of the outstanding notes shall have the right to enforce our rights under the support agreement.

Notice and Declaration of Defaults.

So long as the notes remain outstanding, we will be required to furnish annually to the trustee an officers’ certificate as to such officers’ knowledge of our and the Guarantor’s compliance with all conditions and covenants under the indenture, as determined without regard to any period of grace or requirement of notice provided under the indenture. In addition, we will notify the trustee of any event of default or any event which, with notice or the lapse of time, would constitute an event of default, promptly after and in any case within five business days after one or more of our specified officers becomes aware of such event. We will also be required to furnish to the trustee copies of specified reports filed by us or the Guarantor with the Securities and Exchange Commission (the “SEC”). We or the Guarantor, as applicable, will be deemed to have delivered such filings on the date on which they are filed for public availability on the SEC’s Electronic Data Gathering, Analysis and Retrieval System (or any successor system).

The indenture provides that the trustee will give to the holders of the notes notice of any default under the indenture as and to the extent provided by the Trust Indenture Act of 1939, as amended. The trustee or the holders of 25% in aggregate principal amount of the outstanding notes may declare the notes immediately due and payable upon the occurrence of any event of default after expiration of any applicable grace period. In some cases, the holders of a majority in principal amount of the notes then outstanding may waive any past default and its consequences, except a default in the payment of principal, premium, if any, or interest on or additional amounts payable in respect of the notes, including sinking fund payments.

If a specified event of bankruptcy, insolvency, reorganization or other similar law occurs and is continuing, then the principal amount of the outstanding notes and any accrued and unpaid interest thereon and any additional amounts, if any, with respect thereto will immediately become due and payable without any declaration or other act on the part of the trustee or any holder.

Actions upon Default.

Subject to the provisions of the indenture relating to the duties of the trustee in case an event of default with respect to any issuance of notes occurs and is continuing, the indenture provides that the trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request, order or direction of any of the holders of the notes outstanding unless the holders have offered to the trustee indemnity satisfactory to the trustee. The right of a

holder to institute a proceeding with respect to the indenture is subject to conditions precedent including notice and indemnity to the trustee.

The holders of a majority in principal amount of the notes outstanding in default will have the right to direct the time, method and place for conducting any proceeding for any remedy available to the trustee, or exercising any power or trust conferred on the trustee. Any direction by the holders will be in accordance with law and the provisions of the indenture. The trustee may decline to follow any such direction if the trustee determines, on the advice of counsel, that the action or proceeding may not be lawfully taken or would be materially and unjustly prejudicial to the rights of holders not joining in the direction or if the trustee determines that the action or proceeding would involve the trustee in personal liability or if the trustee determines that the actions or forbearances specified in or pursuant to such direction would be unduly prejudicial to the interests of holders of the notes of all series not joining in the giving of such direction, it being understood that the trustee will have no duty to ascertain whether or not such actions or forbearances are unduly prejudicial to such holders. The trustee will be under no obligation to act in accordance with the direction unless the holders offer the trustee security or indemnity satisfactory to the trustee against costs, expenses and liabilities which may be incurred thereby.

Certain Definitions

Set forth below are certain defined terms used in the indenture and the notes. Reference is made to the indenture and the notes for a full disclosure of all such terms, as well as any other capitalized terms used herein for which no definition is provided.

“Capital Lease Obligation” means an obligation that is required to be classified and accounted for as a capitalized lease for financial reporting purposes in accordance with GAAP as in effect as of December 1, 2018; and the amount of Indebtedness represented by such obligation will be the capitalized amount of such obligation determined in accordance with GAAP as in effect as of December 1, 2018; and the stated maturity thereof will be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be terminated by the lessee without payment of a penalty.

“Domestic Subsidiary” means a Subsidiary organized under the laws of a jurisdiction located in the United States of America.

“GAAP” means, with respect to any computation required or permitted under the indenture or under resolutions of our board of directors or an officers’ certificate establishing a series of notes, any indenture supplemental thereto or any notes, such accounting principles as are generally accepted in the United States for domestic companies at the date of such computation as reasonably determined by us; provided, however, that, notwithstanding any other provision in the indenture or the notes to the contrary (except for the purpose of preparing financial statements in accordance with GAAP), the determination of whether a lease constitutes a finance lease, on the one hand, or an operating lease, on the other hand, shall be determined by reference to GAAP as in effect as of the date hereof without giving effect to any amendments to GAAP that may be adopted thereafter.

“Indebtedness” means, with respect to any Person, (without duplication) (a) any liability of such Person (1) for borrowed money, or under any reimbursement obligation relating to a letter of credit, or (2) evidenced by a bond, note, debenture or similar instrument (including a purchase money obligation arising in connection with the acquisition of any businesses, properties or assets of any kind, but excluding any earnout obligation) if and to the extent any of the foregoing would appear as a liability upon a balance sheet of such Person prepared in accordance with GAAP (other than a trade payable or a current liability arising in the ordinary course of business), or (3) for the payment of money relating to any Capital Lease Obligations; (b) any liability of others described in the preceding clause (a) that the Person has guaranteed or that is otherwise its legal liability; (c) any amendment, supplement, modification, deferral, renewal, extension or refunding of any liability of the types referred to in clauses (a) and (b) above; and (d) in the case of any Subsidiary, the aggregate preference in respect of amounts payable on the issued and outstanding shares of preferred stock of such Subsidiary in the event of any voluntary or involuntary liquidation, dissolution or winding up (excluding any such preference attributable to such shares of preferred stock that are owned by the Guarantor or any Subsidiary thereof).

“Lien” means any mortgage, pledge, lien, security interest, charge or other encumbrance or similar preferential arrangement (including any conditional sale or other title retention agreement or lease in the nature thereof other than a title retention agreement in connection with the purchase of goods in the ordinary course of business which is outstanding for not more than 90 days).

“Material Subsidiary” means, as to any Person, any Domestic Subsidiary of such Person with consolidated shareholders’ equity equal to or greater than 5% of the consolidated shareholders’ equity of such Person (as of the end of the most recent fiscal quarter for which such Person’s financial statements have been issued), or net income (for the period of four consecutive fiscal quarters then most recently ended for which such Person’s financial statements have been issued and during which the consolidated net income of such Person was not a loss), after elimination of intercompany items, equal to or greater than 10% of consolidated net income (for such period) of such Person.

“Person” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

“Property” means any asset, revenue or any other property, whether tangible or intangible, real or personal, including, without limitation, any right to receive income.

“Subsidiary” means (i) any Person more than 50% of the outstanding securities having ordinary voting power of which shall at the time be owned or controlled, directly or indirectly, by such Person or by one or more of its Subsidiaries or by such Person and one or more of its Subsidiaries, or (ii) any association, joint venture or similar business organization more than 50% of the ownership interests having ordinary voting power of which shall at the time be so owned or controlled.

Guarantee

The Guarantor will fully, unconditionally and irrevocably guarantee our obligations under the indenture and the notes on an unsecured and unsubordinated basis. The obligations of the Guarantor under the Guarantee will be limited as necessary to prevent the Guarantee from constituting a fraudulent conveyance or fraudulent transfer under applicable law.

Credit Support

We are party to an existing support agreement with Harley-Davidson under which Harley-Davidson agrees to provide financial support to us, if required, to maintain our fixed-charge coverage ratio at no less than 1.25 and a minimum net worth of \$40.0 million. The support agreement does not constitute a guarantee by Harley-Davidson of our payment on the notes or any of our other obligations or liabilities. See “Description of Notes—Credit Support” in the accompanying offering memorandum.

Book Entry Procedures

All interests in the notes will be subject to the operations and procedures of DTC, Euroclear Bank SA/NV and Clearstream Banking S.A. We provide summaries of these operations and procedures in the accompanying offering memorandum solely for the convenience of investors. The operations and procedures of each settlement system are controlled by that settlement system and may be changed at any time. We and the Agents are not responsible for those operations or procedures.

[Information omitted]

OFFERING MEMORANDUM CONFIDENTIAL

Harley-Davidson Financial Services, Inc.

Medium-Term Notes

Due Nine Months or More from Date of Issue

Payment of Principal, Premium, if any, and Interest

Fully and Unconditionally Guaranteed by Harley-Davidson Credit Corp.

[Information omitted]

The date of this offering memorandum is March 7, 2023.

[Information omitted]

HARLEY-DAVIDSON FINANCIAL SERVICES, INC.

Assistant Secretary's Certificate

The undersigned certifies that he is the Vice President, General Counsel, and Secretary of Harley-Davidson Financial Services, Inc. ("HDFS" or the "Issuer"), and that as such is duly authorized to execute and deliver this certificate on behalf of HDFS, in connection with the issuance of €700,000,000 5.125 per cent Guaranteed Notes due April 5, 2026 (the "Notes") by HDFS and the guarantee of the Notes (the "Guarantee") by Harley-Davidson Credit Corp (the "Guarantor"). The Notes are issued pursuant to a fiscal agency agreement, dated April 5, 2023 (the "Fiscal Agency Agreement"), among the Issuer, the Guarantor, Citibank N.A., London Branch as fiscal agent and transfer agent (the "Agent"), and Citibank Europe Plc as registrar (the "Registrar"), and have the benefit of a deed of guarantee given by the Guarantor, dated April 5, 2023 (the "Deed of Guarantee"), and a deed of covenant given by the Issuer and the Guarantor, dated April 5, 2023 (the "Deed of Covenant"). The Notes are being offered and sold by the Issuer and the Guarantor outside the United States in reliance upon Regulation S under the Securities Act. All capitalized terms used herein without definition will have the respective meanings set forth in the Transaction Documents (as defined below), and the undersigned further certifies as follows:

- (1) Attached hereto as Exhibit I is a true and correct copy of the Articles of Incorporation of HDFS, together with all amendments thereto as in effect on the date hereof.
 - (2) There has been no other amendment or other document filed affecting the Articles of Incorporation of HDFS since April 9, 1992, and no such amendment has been authorized by the Board of Directors or shareholders of HDFS.
 - (3) Attached hereto as Exhibit II is a true and correct copy of the Bylaws of HDFS, which are in full force and effect on the date hereof
 - (4) Attached hereto as Exhibit III is a true and correct copy of resolutions adopted pursuant to a written consent of the Board of Directors of HDFS and relating to the authorization, execution, delivery and performance of the issuing of the Notes. Said resolutions have not been amended, modified, annulled or revoked, and are on the date hereof in full force and effect.
 - (5) All federal, state and local taxes of HDFS due and owing as of the date hereof have been paid.
 - (6) All representations and warranties of HDFS contained in the Fiscal Agency Agreement, the Deed of Guarantee, the Deed of Covenant or in any document, certificate or financial or other statement delivered in connection therewith (collectively, the "Transaction Documents") are true and correct as of the date hereof.
 - (7) There is no action, investigation or proceeding pending or, to my knowledge, threatened against HDFS before any court, administrative agency or other tribunal (a) asserting the invalidity of any Transaction Documents to which HDFS is a party; or (b) which is likely materially and adversely to affect HDFS's performance of its obligations under, or the validity or enforceability of, the Transaction Documents.
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(8) No consent, approval, authorization or order of, and no notice to or filing with, any governmental agency or body or state or federal court is required to be obtained by HDFS for HDFS's consummation of the transactions contemplated by the Transaction Documents, except such as have been obtained or made and such as may be required under the blue sky laws of any jurisdiction in connection with the issuance and sale of the Notes.

(9) Neither the issuance of the Notes or the entering into of the Transaction Documents, nor the consummation of any other of the transactions contemplated therein, will violate or conflict with any agreement or instrument to which HDFS is a party or by which it is otherwise bound.

(10) The sole shareholder of HDFS is Harley-Davidson, Inc., which has its offices in Milwaukee, Wisconsin.

(11) Each of the agreements and conditions of HDFS to be performed or satisfied on or before the Closing Date under the Transaction Documents has been performed or satisfied in all material aspects.

In Witness Whereof, I have affixed my signature hereto this 3rd day of April, 2023.

By: /s/ William S. Jue
Printed Name: William S. Jue

Title: Vice President, General Counsel, and Secretary

[HDFS Assistant Secretary's Certificate]

EXHIBIT I
Articles of Incorporation
(see attached)

STATE *of* DELAWARE
CERTIFICATE *of* AMENDMENT *of*
CERTIFICATE *of* INCORPORATION

- First: That at a meeting of the Board of Directors of Eaglemark Financial Services, Inc. resolutions were duly adopted setting forth a proposed amendment of the Certificate of Incorporation of said corporation, declaring said amendment to be advisable and calling a meeting of the stockholders of said corporation for consideration thereof. The resolution setting forth the proposed amendment is as follows:

Resolved, that the Certificate of Incorporation of this corporation be amended by changing the Article thereof numbered "First" so that, as amended, said Article shall be and read as follows:

"The name of the corporation is Harley-Davidson financial Services, Inc."

- Second: That thereafter, pursuant to resolution of its Board of Directors, a special meeting of the stockholders of said corporation was duly called and held, upon notice in accordance with Section 222 of the General Corporation Law of the State of Delaware at which meeting the necessary number of shares as required by statute were voted in favor of the amendment.
- Third: That said amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.
- Fourth: That the capital of said corporation shall not be reduced under or by reason of said amendment

By: /s/ Donal Hummer, Jr.

Printed Name: Donal Hummer, Jr.

Title: Secretary

EXHIBIT II

Bylaws

(see attached)

**ACTION BY SOLE SHAREHOLDER
OF
HARLEY-DAVIDSON FINANCIAL SERVICES, INC.
AMENDMENT TO BY-LAWS**

The undersigned, Harley-Davidson, Inc., a Wisconsin corporation and the sole shareholder of Harley-Davidson Financial Services, Inc., a Delaware corporation ("HDFS"), acting pursuant to Section 8.9 of the by-laws of HDFS (the "By-laws") and Sections 109 and 228 of the Delaware General Corporation Law, hereby amends the By-laws as follows:

Section 3.2 of the By-laws is hereby amended by deleting the phrase "one (1)" appearing therein and inserting the phrase "not less than one (1) and not more than five (5)" in lieu thereof.

Section 3.3 of the By-laws is hereby amended by deleting the phrase "the holders of a plurality of shares issued and outstanding and entitled to vote in elections of directors," appearing therein and inserting the phrase "a majority of the then-current directors" in lieu thereof.

Further, the undersigned hereby ratifies and confirms all prior appointments of directors to the board of directors of HDFS that, notwithstanding Section 3.3 of the By-laws as in effect prior to the date hereof, were purported to be made by the board of directors of HDFS and not by the holders of a plurality of shares issued and outstanding and entitled to vote in the election of directors.

IN WITNESS WHEREOF, the undersigned has executed this Amendment to By-laws as of the day of December, 2007.

By: /s/ Gail A. Liong

Printed Name: Gail A. Liong

Title: Executive Vice President

Harley-Davidson Financial Services, Inc. Consent Action By the Sole Stockholder

Pursuant to Section 228 of the Delaware General Corporation Law, the undersigned, being the sole stockholder of Harley-Davidson Financial Services, Inc., a Delaware Corporation ("HDFS"), hereby consents to, approves and adopts the following resolution:

RESOLVED, that the Amended and Restated Bylaws of the Corporation be amended and restated in the form attached hereto as Exhibit A;

FURTHER RESOLVED, that any of the officers of this Corporation be and each of them hereby is authorized and directed to do or to cause to be done all further acts and things as they or any of them shall deem necessary, advisable, convenient or proper in carrying into effect the foregoing resolutions.

IN WITNESS WHEREOF, the undersigned has executed this Consent as of December 8, 1999.

Printed Name: Jeffrey L. Bleustein

By: /s/ Jeffrey L. Bleustein

Title: Chairman and Chief Executive Officer

**AMENDED AND RESTATED BYLAWS
OF
HARLEY-DAVIDSON FINANCIAL SERVICES, INC.
(a Delaware corporation)**

ARTICLE I OFFICES

Section 1.01 Principal and Business Offices.

The corporation may have such principal and other business offices, either within or without the State of Delaware, as the Board of Directors may designate or as the business of the corporation may require from time to time.

Section 1.02 Registered Office.

The registered office of the corporation required by the Delaware General Corporation Law to be maintained in the State of Delaware may be, but need not be, identical with the principal office in the State of Delaware, and the address of the registered office may be changed from time to time by the Board of Directors or by the registered agent. The business office of the registered agent of the corporation shall be identical to such registered office.

ARTICLE II STOCKHOLDERS

Section 2.01 Annual Meeting.

The annual meeting of the stockholders shall be held at such date and time as shall be fixed by resolution of the Board of Directors, for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of Delaware, such meeting shall be held on the next succeeding business day.

Section 2.02 Special Meeting.

Special meetings of the stockholders, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the Board of Directors or the President or the Secretary or by such other person, or in the manner, designated by the Board of Directors.

Section 2.03 Place of Meeting.

The Board of Directors may designate any place, either within or without the State of Delaware, as the place of meeting for any annual meeting or for any special meeting of stockholders called by the Board of Directors. If no designation is made, or if a special meeting be otherwise called, the place of meeting shall be the registered office of the corporation in the State of Delaware.

Section 2.04 Notice of Meeting.

Written notice stating the place, day and hour of the meeting of stockholders and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered to each stockholder of record entitled to vote at such meeting not less than ten (10) days (unless a longer period is required by law or the articles of incorporation) nor more than sixty (60) days before the date of the meeting, either personally or by mail, by or at the direction of the Board of Directors, the Chairman, the President, the Secretary, or any other officer or persons calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the stockholder at his address as it appears on the stock record books of the corporation, with postage thereon prepaid.

Section 2.05 Adjournment.

Any meeting of stockholders may be adjourned to reconvene at any place designated by vote of a majority of the shares represented thereat. At the adjourned meeting, the corporation may transact any business which might have been transacted at the original meeting. No notice of the time or place of an adjournment need be given if the time and place are announced at the meeting at which an adjournment is taken, unless the adjournment is for more than thirty (30) days or a new record date is fixed for the adjourned meeting, in which case notice of the adjourned meeting shall be given to each stockholder. Unless a new record date for the adjourned meeting is fixed, the determination of stockholders of record entitled to notice of or to vote at the meeting at which adjournment is taken shall apply to the adjourned meeting.

Section 2.06 Fixing of Record Date.

For the purpose of determining stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or stockholders entitled to receive payment of any dividend, or in order to make a determination of stockholders for any other proper purpose, the Board of Directors may fix in advance a date as the record date for any such determination of stockholders, such date in any case to be not more than sixty (60) days and, in case of a meeting of stockholders, not less than ten (10) days prior to the date on which the particular action requiring such determination of stockholders is to be taken. If no record date is fixed, the record date for determining:

- stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held;
- stockholders entitled to express consent to a corporate action in writing without meeting shall be the day on which the first written consent is expressed; or
- stockholders for any other purpose shall be the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

Section 2.07 Voting Records.

The officer having charge of the stock transfer books for shares of the corporation shall, at least ten (10) days before each meeting of stockholders, make a complete record of the stockholders entitled to vote at such meeting, arranged in alphabetical order, with the address of and the number of shares held by each. Such record shall be produced and kept open to the examination of any stockholders, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten (10) days prior to the meeting, either at a place within the city where the meeting is to be held as specified in the notice of the meeting or at the place of the meeting. The record shall also be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholders present. The original stock transfer books shall be the only evidence as to who are the stockholders entitled to examine such record or transfer books or to vote at any meeting of stockholders.

Section 2.08 Quorum.

Except as otherwise provided in the certificate of incorporation, a majority of the shares entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of stockholders, but in no event shall less than one-third of the shares entitled to vote constitute a quorum. If a quorum is present, the affirmative vote of the majority of the shares represented at the meeting and entitled to vote on the subject matter shall be the act of the stockholders unless the vote of a greater number or voting by classes is required by law or the certificates of incorporation. Though less than a quorum of the outstanding shares

are represented at a meeting, a majority of the shares represented at a meeting which initially had a quorum may adjourn the meeting from time to time without further notice.

Section 2.09 Conduct of Meeting.

The Chairman, and in his or her absence, the President, and in his or her absence, a Vice President in the order provided under Section 4.07, and in their absence, any person chosen by the stockholders present shall call the meeting of the stockholders to order and shall act as chairman of the meeting. The Secretary of the corporation shall act as secretary of all meetings of the stockholders, but, in the absence of the Secretary, the presiding officer may appoint any other person to act as secretary of the meeting.

Section 2.10 Proxies.

At all meetings of stockholders, a stockholder entitled to vote may vote in person or by proxy appointed in writing by the stockholder or by his duly authorized attorney in fact. Such proxy shall be filed with the Secretary of the corporation before or at the time of the meeting. Unless otherwise provided in the proxy and supported by sufficient interest, a proxy may be revoked at any time before it is voted, either by written notice filed with the Secretary or the acting secretary of the meeting or by oral notice given by the stockholder to the presiding officer during the meeting. The presence of a stockholder who has filed a proxy shall not of itself constitute a revocation. No proxy shall be valid after three (3) years from the date of its execution, unless otherwise provided in the proxy. The Board of Directors shall have the power and authority to make rules establishing presumptions as to the validity and sufficiency of proxies.

Section 2.11 Voting of Shares.

Each outstanding share shall be entitled to one vote upon each matter submitted to a vote at a meeting of stockholders, except to the extent that the voting rights of the shares of any class or classes are enlarged, limited or denied by the certificate of incorporation.

Section 2.12 Voting of Shares by Certain Holders.

- **Other Corporations.** Shares standing in the name of another corporation may be voted either in person or by proxy, by the president of such corporation or any other officer appointed by such president. A proxy executed by any principal officer of such other corporation or assistant thereto shall be conclusive evidence of the signer's authority to act, in the absence of express notice to this corporation, given in writing to the Secretary of this corporation, of the designation of some other person by the board of directors or the bylaws of such other corporation.
 - **Legal Representatives and Fiduciaries.** Shares held by any administrator, executor, guardian, conservator, trustee in bankruptcy, receiver, or assignee for creditors may be voted by a duly executed proxy, without a transfer of such shares to his name. Shares standing in the name of a fiduciary may be voted by him, either in person or by proxy. A proxy executed by a fiduciary, shall be conclusive evidence of the signer's authority to act, in the absence of express notice to this corporation, given in writing to the Secretary of this corporation, that such manner of voting is expressly prohibited or otherwise directed by the document creating the fiduciary relationship.
 - **Pledges.** A stockholder whose shares are pledged shall be entitled to vote such shares unless in the transfer of the shares the pledgor has expressly authorized the pledgee to vote the shares and thereafter the pledgee, or his proxy, shall be entitled to vote the shares so transferred.
 - **Treasury Stock and Subsidiaries.** Neither treasury shares, nor shares held by another corporation if a majority of the shares entitled to vote for the election of directors of such other corporation is held by this corporation, shall be voted at any meeting or counted in determining the total number
-

of outstanding shares entitled to vote, but shares of its own issue held by this corporation in a fiduciary capacity, or held by such other corporation in a fiduciary capacity, may be voted and shall be counted in determining the total number of outstanding shares entitled to vote.

- **Joint Holders.** Shares of record in the names of two or more persons or shares to which two or more persons have the same fiduciary relationship, unless the Secretary of the corporation is given notice otherwise and furnished with a copy of the instrument creating the relationship, may be voted as follows: (i) if voted by an individual, his vote binds all holders; or (ii) if voted by more than one holder, the majority vote binds all, unless the vote is evenly split in which case the shares may be voted proportionately, or according to the ownership interest as shown in the instrument filed with the Secretary of the corporation.

Section 2.13 Waiver of Notice by Stockholders.

Whenever any notice whatever is required to be given to any stockholder of the corporation under the certificate of incorporation or bylaws or any provision of the Delaware General Corporation Law, a waiver thereof in writing, signed at any time, whether before or after the time of meeting, by the stockholder entitled to such notice, shall be deemed equivalent to the giving of such notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except where the person attends for the express purpose of objecting to the transaction of any business. Neither the business, nor the purpose of any regular or special meeting of stockholders, directors or members of a committee of directors need be specified in the waiver.

Section 2.14 Stockholders Consent without Meeting.

Any action required or permitted by the certificate of incorporation or bylaws or any provision of law to be taken at a meeting of the stockholders, may be taken without a meeting, prior notice or vote, if a consent in writing, setting forth the action so taken, shall be signed by the number of stockholders required to authorize such action at a meeting. If the action is authorized by less than unanimous consent, notice of the action shall be given to nonconsenting stockholders.

ARTICLE IQ BOARD OF DIRECTORS

Section 3.01 General Powers and Number.

The business and affairs of the corporation shall be managed by its Board of Directors. The number of directors of the corporation shall be three (3) or such other specific number as may be designated from time to time by resolution of the Board of Directors or by resolution of the stockholders.

Section 3.02 Tenure and Qualifications.

Each director shall hold office until the next annual meeting of stockholders and until his successor shall have been qualified and elected, or until his prior death, resignation or removal. A director may be removed from office by affirmative vote of a majority of the outstanding shares entitled to vote for the election of such director, taken at a meeting of stockholders called for that purpose. A director may resign at any time by filing his written resignation with the Secretary of the corporation. Directors need not be residents of the State of Delaware or stockholders of the corporation.

Section 3.03 Regular Meetings.

A regular meeting of the Board of Directors shall be held without other notice than this bylaw immediately after the annual meeting of stockholders, and each adjourned session thereof. The place of such regular meeting shall be the same as the place of the meeting of stockholders which precedes it, or such other suitable place as may be announced at such meeting of stockholders. The Board of Directors may provide, by resolution, the time and place, either within or without the State of Delaware, for the holding of additional regular meetings without other notice than such resolution.

Section 3.04 Special Meetings.

Special meetings of the Board of Directors may be called by or at the request of the Chairman, President, Secretary or any two directors. The Chairman, President or Secretary calling any special meeting of the Board of Directors may fix any place, either within or without the State of Delaware, as the place for holding any special meeting of the Board of Directors called by them, and if no other place is fixed the place of the meeting shall be the registered office of the corporation in the State of Delaware.

Section 3.05 Notice; Waiver.

Notice of each meeting of the Board of Directors (unless otherwise provided in or pursuant to Section 3.03) shall be given to each director not less than twenty-four (24) hours prior to the meeting by giving oral, telephone or written notice to a director in person, or by telegram, or not less than three (3) days prior to a meeting by delivering or mailing notice to the business address or such other address as a director shall have designated in writing and filed with the Secretary. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Whenever any notice whatever is required to be given to any director of the corporation under the certificate of incorporation or bylaws or any provision of law, a waiver thereof in writing, signed at any time, whether before or after the time of meeting, by the director entitled to such notice, shall be deemed equivalent to the giving of such notice. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting and objects thereat to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Section 3.06 Quorum.

Except as otherwise provided by law or by the certificate of incorporation or these bylaws, a majority of the directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but in no event shall less than one-third of the directors constitute a quorum. A majority of the directors present (though less than such quorum) may adjourn the meeting from time to time without further notice.

Section 3.07 Manner of Acting.

The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by the certificate of incorporation or these bylaws.

Section 3.08 Conduct of Meetings.

The Chairman, and in his or her absence, the President, and in his or her absence, a Vice President in the order provided under Section 4.07, and in their absence, any director chosen by the directors present, shall call meetings of the Board of Directors to order and shall act as chairman of the meeting. The Secretary of the corporation shall act as secretary of all meetings of the Board of Directors but in the absence of the Secretary, the presiding officer may appoint any Assistant Secretary or any director or other person present to act as secretary of the meeting.

Section 3.09 Vacancies.

Any vacancy occurring in the Board of Directors, including a vacancy created by an increase in the number of directors, may be filled until the next succeeding annual election by the affirmative vote of a majority of the directors then in office, though less than a quorum of the Board of Directors; provided, that in case of a vacancy created by the removal of a director by vote of the stockholders, the stockholders shall have the right to fill such vacancy at the same meeting or any adjournment thereof.

Section 3.10 Compensation.

The Board of Directors, by affirmative vote of a majority of the directors then in office, and irrespective of any personal interest of any of its members, may establish reasonable compensation of all directors for services to the corporation as directors, officers or otherwise, or may delegate such authority to an appropriate committee. The Board of Directors also shall have authority to provide for or delegate authority to an appropriate committee to provide for reasonable pensions, disability or death benefits, and other benefits or payments, to directors, officers and employees and to their estates, families, dependents or beneficiaries on account of prior services rendered by such directors, officers and employees to the corporation.

Section 3.11 Presumption of Assent.

A director of the corporation who is present at a meeting of the Board of Directors or a committee thereof of which he is a member at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

Section 3.12 Committees.

The Board of Directors by resolution adopted by the affirmative vote of a majority of the directors may designate one or more committees, each committee to consist of one or more directors elected by the Board of Directors, which to the extent provided in said resolution as initially adopted, and as thereafter supplemented or amended by further resolution adopted by a like vote, shall have and may exercise the powers of the Board of Directors in the management of the business and affairs of the corporation and may authorize the seal of the corporation to be affixed to all papers which may require it. Each such committee shall fix its own rules governing the conduct of its activities and shall make such reports to the Board of Directors of its activities as the Board of Directors may request.

Section 3.13 Unanimous Consent without Meeting.

Any action required or permitted by the certificate of incorporation or bylaws or any provision of law to be taken by the Board of Directors at a meeting or by a resolution of any committee thereof may be taken without a meeting if a consent in writing, setting forth the action so taken, filed with the minutes of the proceedings, shall be signed by all of the directors then in office.

Section 3.14 Telephonic Meetings.

Members of the Board of Directors, or any committee designated by the Board, may participate in a meeting of such Board or committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this bylaw shall constitute presence in person at such meeting.

ARTICLE IV OFFICERS

Section 4.01 Number.

The principal officers of the corporation shall be a Chairman (if the Board of Directors elects one), a President, any number of Vice Presidents, a Secretary, and a Treasurer, each of whom shall be elected by the Board of Directors. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board of Directors. Any number of offices may be held by the same person.

Section 4.02 Election and Term of Office.

The officers of the corporation to be elected by the Board of Directors shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of the stockholders. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until his successor shall have been duly elected or until his prior death, resignation or removal. Any officer may resign at any time upon written notice to the corporation. Failure to elect officers shall not dissolve or otherwise affect the corporation.

Section 4.03 Removal.

Any officer or agent may be removed by the Board of Directors whenever in its judgment the best interests of the corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment shall not of itself create contract rights.

Section 4.04 Vacancies.

A vacancy in any principal office because of death, resignation, removal, disqualification or otherwise, shall be filled by the Board of Directors for the unexpired portion of the term.

Section 4.05 Chairman.

The Chairman (if the Board of Directors elects one) shall preside at all meetings of the stockholders and of the Board of Directors and shall have such further and other authority, responsibility and duties as may be granted to or imposed upon him or her by the Board of Directors.

Section 4.06 President.

The President shall be the principal executive officer of the corporation and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the corporation. In the absence of the Chairman, he shall, when present, preside at all meetings of the stockholders and of the Board of Directors. He shall have authority, subject to such rules as may be prescribed by the Board of Directors, to appoint such agents and employees of the corporation as he shall deem necessary, to prescribe their powers, duties and compensation, and to delegate authority to them. Such agents and employees shall hold office at the discretion of the President. He shall have authority to sign, execute and acknowledge, on behalf of the corporation, all deeds, mortgages, bonds, stock certificates, contracts, leases, reports and all other documents or instruments, of every conceivable kind and character whatsoever, necessary or proper to be executed in the course of the corporation's regular business, or which shall be authorized by resolution of the Board of Directors; and, except as otherwise provided by law or the Board of Directors, he may authorize any Vice President or other officer or agent of the corporation to sign, execute and acknowledge such documents or instruments in his place and stead. In general he shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 4.07 The Vice Presidents.

In the absence of the President or in the event of his death, inability or refusal to act, or in the event for any reason it shall be impracticable for the President to act personally, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in the order designated by the Board of Directors, or in the absence of any designation, then in the order of their election) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President may sign, with the Secretary or Assistant Secretary, certificates for shares of the corporation; and shall perform such other duties and have such authority as from time to time may be delegated or assigned to him by the President or by the Board of Directors. The execution of any instrument of the corporation by any Vice President shall be conclusive evidence, as to third parties, of his authority to act in the stead of the President.

Section 4.08 The Secretary.

The Secretary shall: (a) keep the minutes of the meetings of the stockholders and of the Board of Directors in one or more books provided for the purpose; (b) attest instruments to be filed with the Secretary of State; (c) see that all notices are duly given in accordance with the provisions of these bylaws or as required by law; (d) be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents the execution of which on behalf of the corporation under its seal is duly authorized; (e) keep or arrange for the keeping of a register of the post office address of each stockholder which shall be furnished to the Secretary by such stockholder; (f) sign with the President, or a Vice President, certificates for shares of the corporation, the issuance of which shall have been authorized by resolution of the Board of Directors; (g) have general charge of the stock transfer books of the corporation; and (h) in general perform all duties incident to the office of Secretary and have such other duties and exercise such authority as from time to time may be delegated or assigned to him by the President or by the Board of Directors.

Section 4.09 The Treasurer.

The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the corporation; (b) receive and give receipts for moneys due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Section 5.04; and (c) in general

perform all of the duties incident to the office of Treasurer and have such other duties and exercise such other authority as from time to time may be delegated or assigned to him by the President or by the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine.

Section 4.10 Assistant Secretaries and Assistant Treasurers.

There shall be such number of Assistant Secretaries and Assistant Treasurers as the Board of Directors may from time to time authorize. The Assistant Secretaries may sign with the President or a Vice President certificates for shares of the corporation the issuance of which shall have been authorized by a resolution of the Board of Directors. The Assistant Treasurers shall respectively, if required by the Board of Directors, give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Secretaries and Assistant Treasurers, in general, shall perform such duties and have such authority as shall from time to time be delegated or assigned to them by the Secretary or the Treasurer, respectively, or by the President or the Board of Directors.

Section 4.11 Other Assistants and Acting Officers.

The Board of Directors shall have the power to appoint any person to act as assistant to any officer, or as agent for the corporation in his stead, or to perform the duties of such officer whenever for any reason it is impracticable for such officer to act personally, and such assistant or acting officer or other agent so appointed by the Board of Directors shall have the power to perform all the duties of the office to which he is so appointed to be an assistant, or as to which he is so appointed to act, except as such power may be otherwise defined or restricted by the Board of Directors.

Section 4.12 Salaries.

The salaries of the principal officers shall be fixed from time to time by the Board of Directors or by a duly authorized committee thereof, and no officer shall be prevented from receiving such salary by reason of the fact that he is also a director of the corporation.

ARTICLE V CONTRACTS, LOANS, CHECKS AND DEPOSITS; SPECIAL CORPORATE ACTS

Section 5.01 Contracts.

The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute or deliver any instrument in the name of and on behalf of the corporation, and such authorization may be general or confined to specific instances. In the absence of other designation, all deeds, mortgages and instruments of assignment or pledge made by the corporation shall be executed in the name of the corporation by the President or a Vice President and by the Secretary, an Assistant Secretary, the Treasurer or an Assistant Treasurer; the Secretary or an Assistant Secretary, when necessary or required, shall affix the corporate seal thereto; and when so executed no other party to such instrument or any third party shall be required to make any inquiry into the authority of the signing officer or officers.

Section 5.02 Loans.

No indebtedness for borrowed money shall be contracted on behalf of the corporation and no evidences of such indebtedness shall be issued in its name unless authorized by or under the authority of a resolution of the Board of Directors. Such authorization may be general or confined to specific instances.

Section 5.03 Checks, Drafts, etc.

All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by or under the authority of a resolution of the Board of Directors.

Section 5.04 Deposits.

All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositaries as may be selected by or under the authority of a resolution of the Board of Directors.

Section 5.05 Voting of Securities Owned by this Corporation.

Subject always to the specific directions of the Board of Directors, (a) any shares or other securities issued by any other corporation and owned or controlled by this corporation may be voted at any meeting of security holders of such other corporation by the President of this corporation if he is present, or in his absence, by a Vice President of this corporation who may be present, and (b) whenever, in the judgment of the President, or in his absence, any Vice President, it is desirable for this corporation to execute a proxy or written consent in respect to any shares or other securities issued by any other corporation and owned by this corporation, such proxy or consent shall be executed in the name of this corporation by the President or one of the Vice Presidents of this corporation, without necessity of any authorization by the Board of Directors, affixation of corporate seal or countersignature or attestation by another officer. Any person or persons designated in the manner above stated as the proxy or proxies of this corporation shall have full right, power and authority to vote the shares or other securities issued by such other corporation and owned by this corporation the same as such shares or other securities might be voted by this corporation.

ARTICLE VI CERTIFICATES FOR SHARES AND THEIR TRANSFER Section

6.01 Certificates for Shares.

Certificates representing shares of the corporation shall be in such form, consistent with law, as shall be determined by the Board of Directors. Such certificates shall be signed by the President or a Vice President and by the Secretary or an Assistant Secretary or Treasurer or Assistant Treasurer. All certificates for shares shall be consecutively numbered or otherwise identified. The name and address of the person to whom the shares represented thereby are issued, with the number of shares and date of issue, shall be entered on the stock transfer books of the corporation. All certificates surrendered to the corporation for transfer shall be canceled and no new certificate shall be issued until the former certificate for a like number of shares shall have been surrendered and canceled, except as provided in Section 6.06.

Section 6.02 Facsimile Signatures and Seal.

The seal of the corporation on any certificates for shares may be a facsimile. The signature of the President or Vice President and the Secretary or Assistant Secretary upon a certificate may be facsimiles if the certificate is manually signed on behalf of a transfer agent, or a registrar, other than the corporation itself or an employee of the corporation.

Section 6.03 Signature by Former Officers.

In case any officer, who has signed or whose facsimile signature has been placed upon any certificate for shares, shall have ceased to be such officer before such certificate is issued, it may be issued by the corporation with the same effect as if he were such officer at the date of its issue.

Section 6.04 Transfer of Shares.

Prior to due presentment of a certificate for shares for registration of transfer the corporation may treat the registered owner of such shares as the person exclusively entitled to vote, to receive notifications and otherwise to have and exercise all the rights and power of an owner. Where a certificate for shares is presented to the corporation with a request to register for transfer, the corporation shall not be liable to the owner or any other person suffering loss as a result of such registration of transfer if (a) there were on or with the certificate the necessary endorsements, and (b) the corporation had no duty to inquire into adverse claims or has discharged any such duty. The corporation may require reasonable assurance that said endorsements are genuine and effective and compliance with such other regulations as may be prescribed by or under the authority of the Board of Directors. Where a transfer of shares is made for collateral security, and not absolutely, it shall be so expressed in the entry of transfer if, when the shares are presented, both the transferor and the transferee so request.

Section 6.05 Restrictions on Transfer.

The face or reverse side of each certificate representing shares shall bear a conspicuous notation of any restriction imposed by the corporation upon the transfer of such shares. Otherwise the restriction is invalid except against those with actual knowledge of the restrictions.

Section 6.06 Lost, Destroyed or Stolen Certificates.

The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the corporation alleged to have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen or destroyed. When authorizing such issue of a new certificate or certificates, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the person requesting such new certificate or certificates, or his or her legal representative, to give the corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the corporation with respect to the certificate alleged to have been lost, stolen or destroyed.

Section 6.07 Consideration for Shares.

The shares of the corporation may be issued for such consideration as shall be fixed from time to time by the Board of Directors, consistent with the law of the State of Delaware.

Section 6.08 Stock Regulations.

The Board of Directors shall have the power and authority to make all such further rules and regulations not inconsistent with the statutes of the State of Delaware as it may deem expedient concerning the issue, transfer and registration of certificates representing shares of the corporation.

ARTICLE VII SEAL

Section 7.01

The Board of Directors may provide a corporate seal in an appropriate form.

ARTICLE VIII FISCAL YEAR

Section 8.01

The fiscal year of the corporation shall begin on the first day of January and end on the thirty-first day of December in each year.

ARTICLE IX AMENDMENTS

Section 9.01 By Stockholders.

These bylaws may be adopted, amended or repealed and new bylaws may be adopted by the stockholders entitled to vote at the stockholders' annual meeting without prior notice or at any other meeting provided the amendment under consideration has been set forth in the notice of meeting, by affirmative vote of not less than a majority of the shares present or represented at any meeting at which a quorum is in attendance.

Section 9.02 By Directors.

These bylaws may be adopted, amended or repealed by the Board of Directors as provided in the certificate of incorporation by the affirmative vote of a majority of the number of directors present at any meeting at which a quorum is in attendance; but no bylaw adopted by the stockholders shall be amended or repealed by the Board of Directors if the bylaws so provide.

Section 9.03 Implied Amendments.

Any action taken or authorized by the Board of Directors, which would be inconsistent with the bylaws then in effect but is taken or authorized by affirmative vote of not less than the number of directors required to amend the bylaws so that the bylaws would be consistent with such action, shall be given the same effect as though the bylaws had been temporarily amended or suspended so far, but only so far, as is necessary to permit the specific action so taken or authorized.

ARTICLE X INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 10.01 Indemnification of Directors, Officers and Employees.

The Corporation shall indemnify to the full extent permitted by law any person made or threatened to make a party to an action or proceeding, whether criminal, civil, administrative or investigative, by reason of the fact that the person, his or her testator or intestate is or was a director, officer or employee of the Corporation or any predecessor of the Corporation or serves or served any other enterprise as a director, officer or employee at the request of the Corporation or any predecessor of the Corporation

EXHIBIT III

Resolutions

(see attached)

HARLEY-DAVIDSON FINANCIAL SERVICES, INC. UNANIMOUS WRITTEN CONSENT OF THE BOARD OF DIRECTORS

The undersigned, being all of the members of the Board of Directors of Harley-Davidson Financial Services, Inc., a Delaware corporation (the “Company”), acting in lieu of a meeting and pursuant to Section 141 of the Delaware General Corporation Law, do hereby consent to, approve and adopt the following resolutions:

WHEREAS, the directors of the Company deem it in the best interests of the Company to incur additional indebtedness of up to €800,000,000 (Eight Hundred Million Euros) through the issuance of notes (the “Guaranteed Notes”) to be guaranteed by Harley-Davidson Credit Corp. outside the United States pursuant to Regulation S under the Securities Act of 1933, such Guaranteed Notes to be admitted to the Official List of Euronext Dublin and admitted to trading on the Global Exchange Market, which is the exchange regulated market of the Irish Stock Exchange plc trading as Euronext Dublin (“Euronext Dublin”).

NOW, THEREFORE, BE IT RESOLVED, that the President, the Chief Financial Officer, any Vice President, the Secretary, the Treasurer and the Assistant Treasurer of the Company (each, an “Authorized Officer” and collectively, the “Authorized Officers”) be, and each of them hereby is, authorized and directed, in the name and on behalf of the Company, (a) to incur additional indebtedness of up to €800,000,000 (Eight Hundred Million Euros) through the issuance of the Guaranteed Notes and (b) to execute and deliver any agreements, instruments and documents relating thereto, required thereby or contemplated thereunder, and the same are hereby approved and adopted in all respects, with such changes and modifications as to the terms and provisions thereof as the Authorized Officer or Authorized Officers executing the same, in his, her or their sole discretion, shall approve or deem to be necessary or appropriate, the execution and delivery thereof by such Authorized Officer or Authorized Officers to be conclusive evidence of the necessity or appropriateness thereof.

FURTHER RESOLVED, that (a) the Authorized Officers be, and each of them hereby is, authorized and directed, in the name and on behalf of the Company, to prepare one or more offering memoranda, including, without limitation, any amendments or supplements thereto, which contain and/or incorporate by reference therein certain information concerning the Company; and (b) all agreements, instruments and documents relating to the issuance of the Guaranteed Notes required thereby or contemplated thereunder, be, and the same hereby are, approved and adopted in all respects, with such changes and modifications as to the terms and provisions thereof as the Authorized Officer or Authorized Officers executing the same, in his, her or their sole discretion, shall approve or deem to be necessary or appropriate, the execution and delivery thereof by such Authorized Officer or Authorized Officers to be conclusive evidence of the necessity or appropriateness thereof (such documents in the foregoing clauses (a) and (b) to be collectively referred to herein as “Eurobond Documents”).

FURTHER RESOLVED, that any Authorized Officer be, and hereby is, authorized and directed, in the name and on behalf of the Company, to prepare, execute, deliver and perform the Eurobond Documents and all agreements, instruments and documents relating to, required by or contemplated under any of the foregoing.

FURTHER RESOLVED, that each and every Authorized Officer be, and each of them hereby is, authorized and directed, in the name and on behalf of the Company, to do and perform all such further acts and things, to execute and deliver, and where necessary or appropriate, file with the appropriate governmental authorities, all such certificates, agreements, documents, instruments, instruments of transfer, receipts and other papers and to make all such payments and to pay all such taxes and assessments, as any one or more of them, in his, her or their sole discretion, shall approve or deem to be necessary or appropriate to carry out, comply with and effectuate the foregoing resolutions and the transactions contemplated thereby, the taking of such actions to be conclusive evidence of the necessity or appropriateness thereof.

FURTHER RESOLVED, that any and all actions taken by an Authorized Officer in connection with the Guaranteed Notes be, and hereby are, confirmed and ratified.

This Unanimous Written Consent of the Board of Directors of the Company may be executed by the individual directors on separate counterparts that may be transmitted via an email pdf file or facsimile each of which, when so executed and delivered, shall be deemed an original and all of which counterparts, taken together, shall constitute one and the same Unanimous Written Consent of the Board of Directors.

[Signature page follows.]

IN WITNESS WHEREOF, the undersigned have executed this Unanimous Written Consent of the Board of Directors of the Company as of the 23rd day of March, 2023 and direct that it be placed with the minutes of the proceedings of the Board of Directors of the Company.

By: /s/ Jochen Zeitz

Printed Name: Jochen Zeitz

By: /s/ Lawrence G. Hund

Printed Name: Lawrence G. Hund

By: /s/ Jonathan Root

Printed Name: Jonathan Root

By: /s/ Gina Goetter

Printed Name: Gina Goetter

Chief Executive Officer Certification
Pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934

I, Jochen Zeitz, certify that:

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

Date: May 10, 2023

/s/ Jochen Zeitz

Jochen Zeitz

President and Chief Executive Officer

Chief Financial Officer Certification
Pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934

I, David W. Viney, certify that:

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

Date: May 10, 2023

/s/ David W. Viney

David W. Viney

Vice President, Treasurer, and Interim Chief Financial Officer

Written Statement of the Chief Executive Officer and Chief Financial Officer
Pursuant to 18 U.S.C. sec. 1350

Solely for the purpose of complying with 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, we, the undersigned President and Chief Executive Officer and the Vice President, Treasurer, and Interim Chief Financial Officer of Harley-Davidson, Inc. (the "Company"), hereby certify, based on our knowledge, that the Quarterly Report on Form 10-Q of the Company for the quarter ended March 31, 2023 (the "Report") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 10, 2023

/s/ Jochen Zeitz

Jochen Zeitz

President and Chief Executive Officer

/s/ David W. Viney

David W. Viney

Vice President, Treasurer, and Interim Chief Financial Officer