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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

or  
 TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE  
ACT OF 1934 FOR THE TRANSITION PERIOD from \_\_\_\_\_ to \_\_\_\_\_

For the quarterly period ended SEPTEMBER 30, 2003

Commission file number 001-14989

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

DELAWARE  
(State or other jurisdiction  
of incorporation or  
organization)

25-1723342  
(IRS Employer Identification No.)

225 WEST STATION SQUARE DRIVE  
SUITE 700  
PITTSBURGH, PENNSYLVANIA 15219  
(Address of principal executive offices)

(412) 454-2200  
(Registrant's telephone number,  
including area code)

N/A  
(Former name or former address, if changed since last report)

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

Indicate by check mark whether the registrant is an accelerated filer (as  
defined in Rule 12b-2 of the Act). Yes  No   
--- ---

As of October 31, 2003, WESCO International, Inc. had 40,483,301 shares and  
4,653,131 shares of common stock and Class B common stock outstanding,  
respectively.

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WESCO INTERNATIONAL, INC. AND SUBSIDIARIES  
 QUARTERLY REPORT ON FORM 10-Q

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WESCO INTERNATIONAL, INC. AND SUBSIDIARIES  
CONDENSED CONSOLIDATED BALANCE SHEETS

SEPTEMBER 30 DECEMBER 31 Dollars in thousands, except share data 2003 2002

-----	
(UNAUDITED) ASSETS CURRENT ASSETS: Cash and cash equivalents	
	\$ 30,324 \$ 22,570
Trade accounts receivable, net of allowance for doubtful accounts of \$11,554 and \$10,261 in 2003 and 2002, respectively	300,726
182,249 Other accounts receivable	16,115 19,921
Inventories, net	323,608
338,781 Income taxes receivable	123 6,103
Prepaid expenses and other current assets	12,381 7,433
----- Total current assets	683,277 577,057
Property, buildings and equipment, net	101,322 110,174
----- Goodwill	359,260 314,078
----- Other assets	9,624 13,809
----- Total assets	\$ 1,153,483 \$ 1,015,118
=====	
LIABILITIES AND STOCKHOLDERS' EQUITY CURRENT LIABILITIES: Accounts payable	
	\$ 381,449
\$ 346,513 Accrued payroll and benefit costs	22,172 19,736
Current portion of long-term debt	2,102 5,778
Current deferred income taxes	3,382 3,408
Deferred acquisition payable	30,000 --
Other current liabilities	38,937 23,040
----- Total current liabilities	478,042 398,475
----- Long-term debt	430,497 412,196
Long-term deferred acquisition payable	15,000 --
Other noncurrent liabilities	6,068
5,684 Deferred income taxes	28,169
----- Total liabilities	957,776
845,830 Commitments and contingencies	-- --
STOCKHOLDERS' EQUITY: Preferred stock, \$.01 par value; 20,000,000 shares authorized, no shares issued or outstanding	
----- Common stock, \$.01 par value; 210,000,000 shares authorized, 44,514,073 and 44,483,513 shares issued in 2003 and 2002, respectively	445 445
Class B nonvoting convertible common stock, \$.01 par value; 20,000,000 shares authorized, 4,653,131 issued in 2003 and 2002	46 46
Additional capital	571,260
570,923 Retained earnings (deficit)	(346,235) (366,796)
Treasury stock, at cost; 4,036,552 and 4,033,020 shares in 2003 and 2002, respectively	(33,858)
(33,841) Accumulated other comprehensive income (loss)	4,049 (1,489)
----- Total stockholders' equity	195,707 169,288
----- Total liabilities and stockholders' equity	\$ 1,153,483 \$ 1,015,118
=====	=====

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

WESCO INTERNATIONAL, INC. AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS  
(unaudited)

THREE MONTHS ENDED NINE MONTHS ENDED  
SEPTEMBER 30 SEPTEMBER 30 In thousands,  
except share data 2003 2002 2003 2002 -

-----			
Net sales			
\$ 825,601	\$ 852,949	\$ 2,436,647	
-----			
\$ 2,510,315	Cost of goods sold		
		671,942	
706,462	1,986,656	2,068,731	-----
----- Gross profit			
-----			
153,659	146,487	449,991	441,584
Selling, general and administrative			
expenses ..... 124,983 123,157 373,853			
368,649 Depreciation and amortization			
..... 5,148 4,999 15,402			
14,568	-----		
----- Income from operations			
..... 23,528 18,331			
60,736	58,367	Interest expense, net	
..... 10,545			
10,725	31,446	32,799	Loss on debt
extinguishments .....			
487	-- 180	1,073	Other expense
-----			
724	1,790	3,412	4,904
----- Income			
before income taxes			
..... 11,772 5,816			
25,698	19,591	Provision (benefit) for	
income taxes .....			
(3,167)	5,137	1,197	-----
----- Net income			
..... \$			
8,373	\$ 8,983	\$ 20,561	\$ 18,394
=====			
===== Earnings per share: Basic:			
.....			
\$ 0.19	\$ 0.20	\$ 0.46	\$ 0.41
=====			
Diluted:			
..... \$			
0.18	\$ 0.19	\$ 0.44	\$ 0.39
=====			
=====			

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

WESCO INTERNATIONAL, INC. AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
(unaudited)

NINE MONTHS ENDED SEPTEMBER 30	In thousands	2003	2002	-----
----- OPERATING ACTIVITIES: Net income				
\$ 20,561	\$ 18,394	Adjustments to reconcile net income to net cash used by operating activities: Loss on debt extinguishment		
		Depreciation and amortization	180	1,073
		Amortization of gain on interest rate swap	15,402	14,568
		(304) -- Stock option costs		242
		Accretion of original issue and amortization of purchase discounts	2,195	2,229
		Amortization of debt issuance costs	879	694
		Deferred income taxes		(1,332)
		9,428 Gain on the sale of property, buildings and equipment		(513)
		(513) (256) Changes in assets and liabilities, excluding the effects of acquisitions: Change in receivables facility		(88,000)
		and other receivables	(19,771)	35,537
		Inventories		19,697
		27,142 Prepaid expenses and other current assets		1,415
		(79,764) Accounts payable		(5,189)
		(79,764) Accrued payroll and benefit costs		29,294
		2,032 (1,349) Other current and noncurrent liabilities		2,032
		2,932 ----- Net cash used by operating activities		(1,479)
		(1,479) (22,061) INVESTING ACTIVITIES: Capital expenditures		(5,550)
		(5,431) Acquisition payments		(6,528)
		(14,137) Proceeds from the sale of property, buildings and equipment		1,177
		1,177 755 ----- Net cash used by investing activities		(10,901)
		(18,813) FINANCING ACTIVITIES: Proceeds from issuance of long-term debt		144,480
		of long-term debt	440,596	Repayments
				(127,345)
		(445,703) Proceeds from settlement of interest rate swap		4,563
		4,563 -- Debt issuance costs		(2,166)
		(4,004) Proceeds from the exercise of stock options		53
		53 620 ----- Net cash provided(used) by financing activities		19,585
		19,585 (8,491) Effect of exchange rate changes on cash and cash equivalents		549
		549 75 Net change in cash and cash equivalents		7,754
		7,754 (49,290) Cash and cash equivalents at the beginning of period		22,570
		75,057 ----- Cash and cash equivalents at the end of period		\$ 30,324
		\$ 30,324 \$ 25,767 =====		
		===== Supplemental disclosures: Non-cash financing activities:		
		Increase in fair value of interest rate swap		\$ (780)
				\$ (10,037)

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

WESCO INTERNATIONAL, INC. AND SUBSIDIARIES  
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(unaudited)

1. ORGANIZATION

WESCO International, Inc. and its subsidiaries (collectively, "WESCO"), headquartered in Pittsburgh, Pennsylvania, is a full-line distributor of electrical supplies and equipment and a provider of integrated supply procurement services. WESCO is engaged principally in one line of business - the sale of electrical products and maintenance, repair and operating supplies. WESCO currently operates over 350 branch locations and five distribution centers in the United States, Canada, Mexico, the United Kingdom, Singapore, Puerto Rico, Nigeria and Guam.

2. ACCOUNTING POLICIES

Basis of Presentation

The unaudited condensed consolidated financial statements include the accounts of WESCO and all of its subsidiaries and have been prepared in accordance with Rule 10-01 of the Securities and Exchange Commission. The unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto included in WESCO's 2002 Annual Report on Form 10-K filed with the Securities and Exchange Commission.

The unaudited condensed consolidated balance sheet as of September 30, 2003, the unaudited condensed consolidated statements of operations for the three months and nine months ended September 30, 2003 and September 30, 2002 and the unaudited condensed consolidated statements of cash flows for the nine months ended September 30, 2003 and September 30, 2002, in the opinion of management, have been prepared on the same basis as the audited consolidated financial statements and include all adjustments necessary for a fair statement of the results of the interim periods. All adjustments reflected in the condensed consolidated financial statements are of a normal recurring nature unless indicated. Results for the interim periods presented are not necessarily indicative of the results to be expected for the full year.

Goodwill

Annually, goodwill is tested for impairment as of October 1 or sooner if events or circumstances occur indicating that goodwill might be impaired. No impairment losses were identified as a result of past reviews.

Stock Options

During the three months ended September 30, 2003, WESCO has adopted the measurement provisions of SFAS #123, "Accounting for Stock-Based Compensation". This change in accounting method was applied on a prospective basis in accordance with SFAS #148, "Accounting for Stock-Based Compensation - Transition and Disclosure - an amendment of SFAS #123." Stock options awarded prior to 2003 are accounted for under the intrinsic value method under Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees." During the first six months of 2003, no options or stock-based awards were granted to employees. The Company recognized \$0.2 million of compensation expense in the three and nine months ended September 30, 2003.

The following table presents the pro forma results as if the fair-value based method of accounting for stock-based awards had been applied to all outstanding options:

IN THOUSANDS EXCEPT PER SHARE DATA				
	THREE MONTHS	NINE MONTHS		
	ENDED SEPTEMBER 30	ENDED SEPTEMBER 30	ENDED SEPTEMBER 30	ENDED SEPTEMBER 30
	2003	2002	2003	2002
Net income, as reported	\$ 8,373	\$ 8,983	\$ 20,561	\$ 18,394
Add: Stock-based compensation expense included in Reported net income, net of related tax	157	--	157	--
Deduct: Stock-based employee compensation expense determined under SFAS No. 123 for all awards, net of related tax	(528)	(575)	(1,269)	(1,725)
- Pro forma net income	\$ 8,002	\$ 8,408	\$ 19,449	\$ 16,669
Earnings per share: Basic as reported	\$ 0.19	\$ 0.20	\$ 0.46	\$ 0.41
Basic pro forma	\$ 0.18	\$ 0.19	\$ 0.43	\$ 0.37
Diluted as reported	\$ 0.18	\$ 0.19	\$ 0.44	\$ 0.39
Diluted pro forma	\$ 0.17	\$ 0.18	\$ 0.42	\$ 0.36

#### Recent Accounting Pronouncements

Effective June 30, 2003, WESCO adopted SFAS No. 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities." This statement amends and clarifies financial accounting and reporting for derivatives and for hedging activities under SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities." This standard had no impact on WESCO's financial statements.

In May 2003, the FASB issued SFAS No. 150, "Accounting for Certain Instruments with Characteristics of Both Liabilities and Equity." This standard requires that certain financial instruments embodying an obligation to transfer assets or to issue equity securities be classified as liabilities. It is effective for financial instruments entered into or modified after May 31, 2003, and otherwise is generally effective July 1, 2003. This standard had no impact on WESCO's financial statements.

In November 2002, the FASB issued Interpretation No. 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others," which elaborates on the disclosures to be made by a guarantor in its interim and annual financial statements about its obligations under certain guarantees that it has issued. It also clarifies that a guarantor is required to recognize, at the inception of a guarantee, a liability for the fair value of the obligation undertaken in issuing the guarantee. This interpretation does not prescribe a specific approach for subsequently measuring the guarantor's recognized liability over the term of the related guarantee. This interpretation also incorporates, without change, the guidance in FASB Interpretation No. 34, "Disclosure of Indirect Guarantees of Indebtedness of Others," which is being superseded. The initial recognition and initial measurement provisions of this interpretation are applicable on a prospective basis to guarantees issued or modified beginning January 1, 2003. The adoption of this statement did not have a material impact on WESCO's financial statements.

In January 2003, the FASB issued Interpretation No. 46, "Consolidation of Variable Interest Entities." This interpretation requires unconsolidated variable interest entities to be consolidated by their primary beneficiaries if the entities do not effectively disperse the risk and rewards of ownership among their owners and other parties involved. The provisions of this interpretation are currently effective for all variable interest entities created after February 1, 2003 and variable interest entities in which an enterprise obtains an interest in after that date. For variable interest entities created before this date, the provisions are effective December 31, 2003. The adoption of this interpretation did not have a material impact on the Company's consolidated financial statements.





3. EARNINGS PER SHARE

The following table sets forth the details of basic and diluted earnings per share:

THREE MONTHS ENDED SEPTEMBER 30 Dollars in thousands, except per share amounts 2003 2002 - ----- ----- ----- ----- -----	
Reported net income \$ 8,373 \$ 8,983	
=====	
Weighted average common shares outstanding used in computing basic earnings per share 45,129,308 45,097,383 Common shares issuable upon exercise of dilutive stock options 1,790,875 1,807,543 - ----- -----	
- Weighted average common shares outstanding and common share equivalents used in computing diluted earnings per share 46,920,183 46,904,926	
=====	
Earnings per share: Basic \$ 0.19 \$ 0.20 Diluted \$ 0.18 \$ 0.19	

NINE  
MONTHS  
ENDED  
SEPTEMBER  
30 Dollars  
in

thousands,  
except per  
share  
amounts  
2003 2002  
-----  
-----  
-----  
-----  
-----  
-----  
-----  
-----  
-----  
-----

Reported  
net income  
\$ 20,561 \$  
18,394  
=====

Weighted  
average  
common  
shares  
outstanding  
used in  
computing  
basic  
earnings  
per share  
45,117,257  
45,010,489

Common  
shares  
issuable  
upon  
exercise  
of  
dilutive  
stock  
options  
1,540,266  
1,886,699  
-----  
- - - - -

Weighted  
average  
common  
shares  
outstanding  
and common  
share  
equivalents  
used in  
computing  
diluted  
earnings  
per share  
46,657,523  
46,897,188  
=====

Earnings  
per share:  
Basic \$  
0.46 \$  
0.41  
Diluted \$  
0.44 \$  
0.39

#### 4. ACCOUNTS RECEIVABLE SECURITIZATION

In September 2003, WESCO entered into a revised \$300 million accounts receivable securitization program ("Receivables Facility") that provides for a \$165 million purchase commitment with a term of 364 days and a \$135 million purchase commitment with a term of three years. Under the Receivables Facility, WESCO sells, on a continuous basis, to WESCO Receivables Corporation, a wholly-owned, special purpose company ("SPC"), an undivided interest in all domestic accounts receivable. The SPC sells without recourse to a third-party conduit all the eligible receivables while maintaining a subordinated interest, in the form of overcollateralization, in a portion of the receivables. WESCO has agreed to continue servicing the sold receivables for the financial institution at market rates; accordingly, no servicing asset or liability has been recorded.

As of September 30, 2003 and December 31, 2002, securitized accounts receivable totaled approximately \$348 million and \$346 million, respectively, of which the subordinated retained interest was approximately \$143 million and \$53 million, respectively. Accordingly, approximately \$205 million and \$293 million

of accounts receivable balances were removed from the consolidated balance sheets at September 30, 2003 and December 31, 2002, respectively. Costs associated with the Receivables Facility totaled \$0.7 million and \$1.8 million for the three months ended September 30, 2003 and September 30, 2002. Costs associated with the Receivables Facility totaled \$3.4 million and \$4.9 million for the nine months ended September 30, 2003 and September 30, 2002. These amounts are recorded as other expenses in the consolidated statements of operations and are primarily related to the discount and loss on the sale of accounts receivables, partially offset by related servicing revenue.

The key economic assumptions used to measure the retained interest at the date of the securitization for securitizations completed in 2003 were a discount rate of 2% and an estimated life of 1.5 months. At September 30, 2003, an immediate adverse change in the discount rate or estimated life of 10% and 20% would result in a reduction in the fair value of the retained interest of \$0.1 million and \$0.2 million, respectively. These sensitivities are hypothetical and should be used with caution. As the figures indicate, changes in fair value based on a 10% variation in assumptions generally cannot be extrapolated because the relationship of the change in assumption to the change in fair value may not be linear. Also, in this example, the effect of a variation in a particular assumption on the fair value of the retained interest is calculated without changing any other assumption. In reality, changes in one factor may result in changes in another.

## 5. COMPREHENSIVE INCOME

The following table sets forth comprehensive income and its components:

THREE MONTHS ENDED SEPTEMBER 30	
In thousands	
2003	2002
-----	-----
-----	-----
Net income \$	
8,373	\$
8,983	
Foreign	
currency	
translation	
adjustment	
(1,672)	
(1,635)	----
-----	-----
Comprehensive	
income \$	
6,701	\$
7,348	

NINE MONTHS ENDED SEPTEMBER 30	
In thousands	
2003	2002
-----	-----
-----	-----
Net income \$	
20,561	\$
18,394	
Foreign	
currency	
translation	
adjustment	
5,538	556 --
-----	-----
Comprehensive	
income \$	
26,099	\$
18,950	

## 6. ACQUISITIONS

Certain of our acquisition agreements contain earn-out provisions based principally on future earnings targets. The most significant of these agreements relates to the acquisition of Bruckner Supply Company ("Bruckner"), which provides for a remaining maximum total earn-out potential of \$80 million based on achieving earnings targets during 2003 or 2004. The amount of earn-out proceeds earned that is payable in any single year subsequent to achieving the earnings target is capped under this agreement at \$30 million per year. As of September 30, 2003, the Company has accrued a \$45.0 million liability (\$30.0 million classified as current and \$15.0 million classified as non-current) to recognize the estimated amount owed under the agreement with Bruckner. The estimated payments accrued were recorded as an increase to goodwill. Certain other acquisitions also contain contingent consideration provisions, only one of which could require a significant payment. Management estimates this payment could range from \$0 to \$20 million and would be made in 2008. Payments made under the Company's various acquisition agreements totaled \$6.5 million and \$14.1 million during the nine months ended September 30, 2003 and 2002,

respectively.

#### 7. LONG-TERM DEBT

In March 2003, WESCO successfully completed a series of mortgage financings which totaled \$51 million. Total borrowings under the mortgage financing are subject to a 22-year amortization schedule with a balloon payment due at the end of the 10-year term. Proceeds from the borrowings were used to reduce outstanding borrowing under the 2002 Revolving Credit Facility. Interest rates on borrowings under this facility are fixed at 6.5%.

During the quarter ended September 30, 2003, the Company recorded a \$0.8 million non-cash charge associated with the write-off of deferred financing fees related to a Company-initiated amendment reducing the size of its revolving credit facility from \$290 million to \$200 million.

As of September 30, 2003 WESCO had \$378.8 million in aggregate principal amount of senior subordinated notes due 2008. During the nine months ended September 30, 2003, the Company repurchased \$21.2 million in aggregate principal amount of senior subordinated notes at a net gain of \$0.6 million.

In June 2003, the Company's interest rate swap agreements were called by the issuer and as a result the Company received a \$4.6 million payment. The gain resulting from the settlement of these agreements has been deferred and is being amortized as a reduction of interest expense over the remaining life of the senior subordinated notes.

In August 2003, the Company entered into a new, \$50 million interest rate swap agreement similar to the agreements settled in June 2003. The term of this agreement expires concurrently with the 9.125% senior subordinated notes. Pursuant to the agreement, WESCO receives fixed interest payments at a rate of 9.125% and pays interest at six-month LIBOR plus a premium.

#### 8. INCOME TAXES

The following table sets forth the reconciliation between the federal statutory income tax rate and the effective rate:

THREE MONTHS ENDED SEPTEMBER 30, -----		-----	
2003	2002	-----	-----
- Federal statutory rate		35.0%	35.0%
State taxes, net of federal tax benefit	0.2		
	1.4		
Nondeductible expenses	2.3		
Domestic tax benefit from foreign operations	(7.0)	(4.1)	
Foreign taxes rate differences	(0.3)	(0.5)	
Favorable impact resulting from prior year tax contingencies(1)	-- (91.1)	1.0	-----
	(1.3)	1.0	-----
	- 28.9	(54.5)	
	=====		
	=====		
NINE MONTHS ENDED SEPTEMBER 30, -----			
2003	2002	-----	-----
		Federal statutory rate	
		35.0%	35.0%
		State taxes, net of federal tax benefit	
	0.2	1.3	Nondeductible expenses
		2.3	3.7
		Domestic tax benefit from foreign operations	
	(4.9)	(3.1)	Foreign taxes rate differences
		(0.4)	(0.3)
		Remeasurement of deferred taxes(2)	
	-- (3.5)	Favorable impact resulting from prior year tax contingencies (1)	... (10.1)
	(27.1)	Net operating loss utilization(3)	
		(2.2)	-- Other
	0.1	0.1	-----
		20.0%	6.1%
		=====	
		=====	

(1) Represents a benefit of \$5.3 million during the quarter and nine months ended September 30, 2002 and \$2.6 million during the nine months ended September 30, 2003 from the resolution of prior year tax contingencies upon the IRS's acceptance of tax returns filed through 1998 and the favorable conclusion of the IRS examination for 1999.

(2) Reflects a decrease in the rate applied to deferred tax items. Management believes this revised estimate reflects the rate that will be in effect when these items reverse.

(3) Represents the recognition of a \$0.6 million benefit associated with the utilization of a net operating loss.

## 9. SELLING GENERAL AND ADMINISTRATIVE EXPENSE

Selling general and administrative ("SG&A") expenses for the nine months ended September 30, 2003 includes \$4.7 million associated with discretionary retirement related contributions. The Company did not have any expenses for discretionary retirement plan contributions for the comparable 2002 period. In addition, the nine months ended September 30, 2003 included \$3.9 million in fees and expenses associated with certain legal matters. The Company has reached a tentative settlement agreement related to an employment and wages claim. The Company currently expects this claim to be resolved by the end of its fiscal year 2003. The expected amount necessary to provide for the resolution of this matter has been previously accrued and reflected in the condensed consolidated financial statements as of September 30, 2003.

10. OTHER FINANCIAL INFORMATION (UNAUDITED)

WESCO Distribution, Inc. has issued \$400 million of 9 1/8% senior subordinated notes. The senior subordinated notes are fully and unconditionally guaranteed by WESCO International, Inc. on a subordinated basis to all existing and future senior indebtedness of WESCO International, Inc. Condensed consolidating financial information for WESCO International, Inc., WESCO Distribution, Inc. and the non-guarantor subsidiaries are as follows:

WESCO INTERNATIONAL, INC. AND SUBSIDIARIES  
CONDENSED CONSOLIDATING BALANCE SHEETS

SEPTEMBER 30, 2003 -----

(IN THOUSANDS) Consolidating WESCO  
WESCO and International,  
Distribution, Non-Guarantor  
Eliminating Inc. Inc. Subsidiaries  
Entries Consolidated -----

-----	Cash			
	and cash equivalents			
.....	\$ 3	\$ 20,707	\$	
9,614	\$ --	\$ 30,324	Trade accounts	
	receivable	.....	--	
41,697	259,029	--	300,726	
	Inventories			
.....		--		
278,093	45,515	--	323,608	Other
	current assets			
.....		--	22,448	
8,985	(2,814)	28,619	-----	
-----				
-----	Total			
current assets	.....			
3	362,945	323,143	(2,814)	683,277
	Intercompany receivables, net			
.....		--	218,947	--
(218,947)	--	Property, buildings		
	and equipment, net			
.....				
--	32,375	68,947	--	101,322
	Goodwill			
.....				
--	321,312	37,948	--	359,260
	Investments in affiliates and			
	other noncurrent assets			
.....		402,815		
347,159	3,762	(744,112)	9,624	----
-----				
--	Total assets			
.....	\$			
402,818	\$ 1,282,738	\$ 433,800	\$	
	(965,873)	\$ 1,153,483		
=====				
=====				
=====	Accounts payable			
.....	\$ --	\$		
364,563	\$ 16,886	\$ --	\$ 381,449	
	Other current liabilities			
.....	--	92,055	7,352	
(2,814)	96,593	-----		
-----				
-----	Total			
current liabilities	.....			
--	456,618	24,238	(2,814)	478,042
	Intercompany payables, net			
.....	211,160	--	7,787	
(218,947)	--	Long-term debt		
.....				
380,822	49,675	--	430,497	Other
	noncurrent liabilities			
.....	--	42,483	6,754	--
49,237	Stockholders' equity			
.....	191,658			
402,815	345,346	(744,112)	195,707	-----
-----				
-----	Total liabilities and			
	stockholders' equity			
.....	\$ 402,818	\$		
1,282,738	\$ 433,800	\$ (965,873)	\$	



1,153,483 =====  
=====   
=====

WESCO INTERNATIONAL, INC. AND SUBSIDIARIES  
CONDENSED CONSOLIDATING BALANCE SHEETS

DECEMBER 31, 2002 -----		
-----		
(IN THOUSANDS) Consolidating WESCO		
WESCO and International,		
Distribution, Non-Guarantor		
Eliminating Inc. Inc. Subsidiaries		
Entries Consolidated -----		
-----		
----- Cash		
and cash equivalents		
.....	\$ 4	\$ 12,449
10,117	\$ --	\$ 22,570
Trade		
accounts receivable		
.....	--	45,381
--	182,249	136,868
Inventories		
.....	--	--
298,495	40,286	--
338,781 Other		
current assets		
.....	--	15,453
19,778	(1,774)	33,457
-----		
----- Total		
current assets .....		
4	371,778	207,049
(1,774) 577,057		
Intercompany receivables, net		
.....	--	186,269
(217,114)	--	30,845
Property, buildings		
and equipment, net		
.....	--	41,822
--	68,352	--
110,174		
Goodwill		
.....	--	247,671
--	66,407	--
314,078		
Investments in affiliates and		
other noncurrent assets		
.....	387,887	
347,678	1,081	(722,837)
13,809 ---		
-----		
----- Total assets		
.....	\$	
387,891	\$ 1,195,218	\$ 373,734
-----		
-----		
----- Accounts payable		
.....	\$ --	\$
340,748	\$ 5,765	\$ --
\$ 346,513		
Other current liabilities		
.....	--	39,022
(1,774)	51,962	-----
-----		
----- Total		
current liabilities .....		
--	379,770	20,479
(1,774) 398,475		
Intercompany payables, net		
.....	217,114	--
(217,114)	--	--
Long-term debt		
.....	--	--
398,856	13,340	--
412,196 Other		
noncurrent liabilities		
.....	--	28,705
35,159	Stockholders' equity	6,454
.....	170,777	
387,887	333,461	(722,837)
169,288		
-----		
----- Total liabilities and		
stockholders' equity		
.....	\$ 387,891	\$
1,195,218	\$ 373,734	\$ (941,725)
-----		
-----		
-----		

WESCO INTERNATIONAL, INC. AND SUBSIDIARIES  
CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS

THREE MONTHS ENDED  
SEPTEMBER 30, 2003 -----  
-----  
-----

----- (IN THOUSANDS)  
WESCO Consolidating  
International, WESCO Non-  
Guarantor and Eliminating  
Inc. Distribution, Inc.  
Subsidiaries Entries  
Consolidated -----  
-----

----- Net  
sales

.....  
\$ -- \$ 705,442 \$ 120,159 \$  
-- \$ 825,601 Cost of goods  
sold ..... --  
575,373 96,569 -- 671,942  
Selling, general and  
administrative expenses  
.....  
-- 106,235 18,748 --  
124,983 Depreciation and  
amortization ..... --  
4,359 789 -- 5,148 Results  
of affiliates' operations  
... 6,530 5,497 --  
(12,027) -- Interest  
expense (income), net  
..... (2,836) 14,356  
(975) -- 10,545 Other  
(income) expense  
..... -- 5,802  
(4,591) -- 1,211 (Benefit)  
provision for income taxes  
993 (1,716) 4,122 -- 3,399  
-----  
-----

----- Net income (loss)  
..... \$ 8,373 \$  
6,530 \$ 5,497 \$ (12,027) \$  
8,373 =====  
=====

THREE MONTHS ENDED  
SEPTEMBER 30, 2002 -----  
-----  
-----

----- (IN THOUSANDS) WESCO  
Consolidating  
International, WESCO Non-  
Guarantor and Eliminating  
Inc. Distribution, Inc.  
Subsidiaries Entries  
Consolidated -----  
-----

----- Net sales

.....  
\$ -- \$ 738,091 \$ 114,858  
\$ -- \$ 852,949 Cost of  
goods sold ..... --  
613,083 93,379 -- 706,462  
Selling, general and  
administrative expenses  
.....  
-- 106,893 16,264 --  
123,157 Depreciation and  
amortization ..... --  
4,174 825 -- 4,999

Results of affiliates'			
operations ..	6,753		
12,524 -- (19,277) --			
Interest expense			
(income), net .....			
(3,285) 12,690 1,320 --			
10,725 Other (income)			
expense .....	--		
18,192 (16,402) -- 1,790			
Provision for income			
taxes .....	1,055		
(11,170) 6,948 -- (3,167)			
-----			
----- Net			
income (loss)			
.....	\$ 8,983	\$	
6,753 \$ 12,524 \$ (19,277)			
\$ 8,983 =====			
=====			
=====			
=====			
=====			

WESCO INTERNATIONAL, INC. AND SUBSIDIARIES  
CONDENSED CONSOLIDATING STATEMENTS OF OPERATIONS

NINE MONTHS ENDED  
SEPTEMBER 30, 2003 -----  
-----  
-----

----- (IN THOUSANDS)  
WESCO Consolidating  
International, WESCO Non-  
Guarantor and Eliminating  
Inc. Distribution, Inc.  
Subsidiaries Entries  
Consolidated -----  
-----  
-----

----- Net sales  
.....  
\$ -- \$ 2,087,456 \$  
349,191 \$ -- \$ 2,436,647  
Cost of goods sold  
..... --  
1,703,351 283,305 --  
1,986,656 Selling,  
general and  
administrative expenses  
..... --  
-- 321,199 52,654 --  
373,853 Depreciation and  
amortization ..... --  
13,052 2,350 -- 15,402  
Results of affiliates'  
operations .. 14,928  
18,480 -- (33,408) --  
Interest expense  
(income), net .....  
(8,669) 43,428 (3,313) --  
31,446 Other (income)  
expense ..... --  
18,692 (15,100) -- 3,592  
Provision for income  
taxes ..... 3,036  
(8,714) 10,815 -- 5,137 -  
-----  
-----

Net income (loss)  
..... \$ 20,561  
\$ 14,928 \$ 18,480 \$  
(33,408) \$ 20,561  
=====

NINE MONTHS ENDED  
SEPTEMBER 30, 2002 -----  
-----  
-----

----- (IN THOUSANDS) WESCO  
Consolidating  
International, WESCO Non-  
Guarantor and Eliminating  
Inc. Distribution, Inc.  
Subsidiaries Entries  
Consolidated -----  
-----  
-----

----- Net sales  
.....  
\$ -- \$ 2,181,864 \$ 328,451  
\$ -- \$ 2,510,315 Cost of  
goods sold  
..... --  
1,800,713 268,018 --  
2,068,731 Selling, general  
and administrative  
expenses  
..... --  
-- 320,019 48,630 --  
368,649 Depreciation and  
amortization ..... --

12,142	2,426	--	14,568
Results of affiliates'			
operations ... 11,866			
38,436	--	(50,302)	--
Interest expense (income),			
net ..... (9,749) 41,786			
762	--	32,799	Other
(income) expense			
.....	--	56,657	
(50,680)	--	5,977	
Provision for income taxes			
.....	3,221	(22,883)	
20,859	--	1,197	-----
-----			
-----			
- ----- Net income			
(loss) ..... \$			
18,394	\$	11,866	\$
		38,436	\$
		(50,302)	\$
		18,394	
		=====	
		=====	
		=====	
		=====	

WESCO INTERNATIONAL, INC. AND SUBSIDIARIES  
CONDENSED CONSOLIDATING STATEMENTS OF CASH FLOWS

NINE MONTHS ENDED SEPTEMBER  
30, 2003 (IN THOUSANDS)  
WESCO Consolidating  
International, WESCO Non-  
Guarantor and Eliminating  
Inc. Distribution, Inc.  
Subsidiaries Entries  
Consolidated -----  
-----  
----- Net cash provided  
(used) by operating  
activities ..... \$  
5,900 \$ 28,576 \$ (35,955) \$  
-- \$ (1,479) Investing  
activities: Capital  
expenditures .....  
-- (5,212) (338) -- (5,550)  
Acquisitions  
..... --  
(6,528) -- -- (6,528)  
Proceeds from sale of  
property ... -- 1,177 -- --  
1,177 -----  
-----  
-- Net cash used in  
investing activities  
..... --  
(10,563) (338) -- (10,901)  
Financing activities: Net  
borrowings (repayments)  
..... (5,954) (9,755)  
37,407 -- 21,698 Equity  
transactions .....  
53 -- -- -- 53 Other  
.....  
-- -- (2,166) -- (2,166) --  
-----  
----- Net  
cash (used in) provided by  
financing activities  
..... (5,901)  
(9,755) 35,241 -- 19,585  
Effect of exchange rate  
changes on Cash and cash  
equivalents ..... -- --  
549 -- 549 -----  
-----  
----- Net change in cash  
and cash equivalents  
..... (1)  
8,258 (503) -- 7,754 Cash  
and cash equivalents at  
beginning of year  
..... 4 12,449  
10,117 -- 22,570 -----  
-----  
----- Cash and cash  
equivalents at end of  
period  
.....  
\$ 3 \$ 20,707 \$ 9,614 \$ -- \$  
30,324 =====  
=====

WESCO INTERNATIONAL, INC. AND SUBSIDIARIES  
CONDENSED CONSOLIDATING STATEMENTS OF CASH FLOWS

NINE MONTHS ENDED SEPTEMBER  
30, 2002 (IN THOUSANDS)  
WESCO Consolidating  
International, WESCO Non-  
Guarantor and Eliminating  
Inc. Distribution, Inc.  
Subsidiaries Entries  
Consolidated -----  
-----  
----- Net cash provided  
(used) by operating  
activities ..... \$  
6,848 \$ 20,188 \$ (49,097) \$  
-- \$ (22,061) Investing  
activities: Capital  
expenditures .....  
-- (5,086) (345) -- (5,431)  
Acquisitions and other  
..... -- (13,382) --  
-- (13,382) -----  
-----  
----- Net cash used in  
investing activities  
..... --  
(18,468) (345) -- (18,813)  
Financing activities: Net  
borrowings (repayments)  
..... (7,468) 988 1,373 --  
(5,107) Equity transaction  
..... 620 -- -- --  
- 620 Other  
.....  
-- (4,004) -- -- (4,004) --  
-----  
----- Net  
cash (used in) provided by  
financing activities  
..... (6,848)  
(3,016) 1,373 -- (8,491)  
Effect of exchange rate  
changes on cash and cash  
equivalents ..... -- --  
75 -- 75 -----  
-----  
----- Net change in cash  
and cash equivalents  
..... \$ --  
\$ (1,296) \$ (47,994) \$ -- \$  
(49,290) Cash and cash  
equivalents at beginning of  
year ..... 2  
17,877 57,178 -- 75,057 ---  
-----  
----- Cash  
and cash equivalents at end  
of period  
.....  
\$ 2 \$ 16,581 \$ 9,184 \$ -- \$  
25,767 =====  
=====



ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the information in the unaudited condensed consolidated financial statements and notes thereto included herein and WESCO International Inc.'s Financial Statements and Management's Discussion and Analysis of Financial Condition and Results of Operations included in its 2002 Annual Report on Form 10-K.

GENERAL

WESCO is a full-line distributor of electrical supplies and equipment and is a provider of integrated supply procurement services. WESCO currently operates over 350 branch locations and five distribution centers in the United States, Canada, Mexico, the United Kingdom, Singapore, Puerto Rico, Nigeria and Guam. WESCO serves over 100,000 customers worldwide, offering over 1,000,000 products from over 24,000 suppliers. WESCO's diverse customer base includes a wide variety of industrial companies; contractors for industrial, commercial and residential projects; utility companies, and commercial, institutional and governmental customers. Approximately 89% of WESCO's net sales are generated from operations in the U.S., 9% from Canada and the remainder from other countries.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

During the nine months ended September 30, 2003, the Company adopted the measurement provisions of SFAS #123, "Accounting for Stock-Based Compensation" on a prospective basis in accordance with SFAS #148, "Accounting for Stock-Based Compensation - Transition and Disclosure - an amendment to SFAS #123." See "Recently Issued Accounting Pronouncements" for further information. There were no other significant changes to WESCO's Critical Accounting Policies and Estimates referenced in the 2002 Annual Report on Form 10-K.

RESULTS OF OPERATIONS

Third Quarter of 2003 versus Third Quarter of 2002

The following table sets forth the percentage relationship to net sales of certain items in WESCO's condensed consolidated statements of operations for the periods presented:

THREE MONTHS ENDED SEPTEMBER	
30 2003	2002 --
---	-----
Net sales	100.0%
Gross profit	18.6
Selling, general and administrative expenses	15.1
Depreciation and amortization	0.6
Income from operations	2.9
Interest expense	1.3
Loss on debt extinguishments	0.1
Other expense	0.1
Income before income taxes	1.4
Provision (benefit) for income taxes	0.4
Net income	1.0%
1.1%	-----

Net sales in the third quarter of 2003 totaled \$825.6 million versus \$852.9 million in the comparable 2002 quarter, a 3.2% decline. The decline in net sales during 2003 is primarily attributable to weaker product demand resulting from depressed economic activity in the industrial production and commercial construction markets.

Gross profit for the third quarter of 2003 was \$153.7 million versus \$146.5

million in 2002, as the gross margin percentage improved to 18.6% versus 17.2% last year. The current quarter's results reflect improved performance in billing margins and supplier volume rebate programs, contributing a combined 60 basis point improvement in gross margin over last year's results. Last year's gross margin results included a \$5.2 million charge for excess specialized inventory for customers in the telecommunications industry and inventory associated with exiting certain international operations.

Selling, general and administrative ("SG&A") expenses in the third quarter of 2003 totaled \$125.0 million versus \$123.2 million in last year's comparable quarter. The increase was principally due to a \$1.9 million, or

19.8%, increase in employee benefit costs during the quarter. The increase was largely due to accruals for discretionary retirement-related contributions, coupled with higher medical and workers compensation charges. In addition, expenses associated with uncollectable accounts receivable were \$0.8 million higher in 2003. Shipping and handling expense included in SG&A was \$9.3 million in both the 2003 and 2002 third quarter. As a percentage of net sales, SG&A expenses increased to 15.1%, compared with 14.4% in the last year's comparable quarter, primarily due to the negative leverage of lower sales volume.

Depreciation and amortization was \$5.1 million in the third quarter of 2003 versus \$5.0 million in last year's third quarter.

Interest expense totaled \$10.6 million for the third quarter of 2003 versus \$10.7 million in last year's comparable quarter. The slight decline was primarily due to a lower amount of indebtedness outstanding during the current quarter as compared to last year's third quarter, partially offset by a \$0.4 million lower benefit from WESCO's interest rate swap agreements in this year's third quarter. Loss on debt extinguishments relates to the Company recording a \$0.8 million non-cash charge associated with the write-off of deferred financing fees related to a Company-initiated amendment reducing the size of its revolving credit facility that was partially offset by a \$0.3 million gain on the repurchase of Senior Notes. Other expense totaled \$0.7 million in 2003 third quarter, down from \$1.8 million last year, principally reflecting lower costs and outstanding balances associated with the accounts receivable securitization program.

Income tax expense totaled \$3.4 million in the third quarter of 2003 and the effective tax rate was a 28.9%. This rate differed from the statutory tax rate primarily due to the recognition of certain foreign tax credits that became available in this year's third quarter. Last year's comparable income taxes were a benefit of \$3.2 million and the effective rate was a 54.5% benefit. This resulted from a \$5.3 million tax benefit from the reversal of income tax contingency accruals upon acceptance by the IRS of tax returns filed through 1998 and the favorable conclusion of the IRS examination for 1999.

For the third quarter of 2003, net income totaled \$8.4 million, or \$0.18 per diluted share, compared with \$9.0 million, or \$0.19 per diluted share, in the third quarter of 2002.

Nine Months Ended September 30, 2003 versus Nine Months Ended September 30, 2002

The following table sets forth the percentage relationship to net sales of certain items in WESCO's condensed consolidated statements of operations for the periods presented:

NINE MONTHS ENDED SEPTEMBER		
30 2003	2002	--
---	-----	Net sales 100.0%
100.0%		Gross profit 18.5
17.6		Selling, general and administrative expenses 15.3
14.7		Depreciation and amortization 0.6
0.6	0.6	-----
----		Income from operations 2.6
2.3		Interest expense 1.3
1.3		Loss on debt extinguishments --
--	--	Other expense 0.2
0.2		-----
		Income before income taxes 1.1
0.8		Provision for income taxes 0.3
0.1		-----
----		Net income 0.8%
0.7%		-----
----		

Net sales in the nine months ended September 30, 2003 total \$2,436.6 million versus \$2,510.3 million in the comparable 2002 period, a 2.9% decline. The decline in net sales was primarily attributable to weaker demand resulting from depressed economic activity in the industrial production and commercial construction markets.

Gross profit for the nine months ended September 30, 2003 was \$450.0 million versus \$441.6 million in 2002, as the gross margin percentage improved to 18.5% versus 17.6% last year. The gross margin benefited from improved product billing margins, which increased 40 basis points over last year's comparable period, as well as lower inventory adjustments and improved performance with supplier volume rebate programs in the current quarter. Last year's results included a \$5.2 million charge to reserve for excess specialized inventory for customers

in the telecommunications industry and inventory associated with exiting certain international operations.

SG&A expenses during the nine months ended September 30, 2003 totaled \$373.9 million versus \$368.6 million in last year's comparable period. The current year's total includes \$4.7 million of expenses associated with discretionary retirement related contributions and \$3.9 million in fees and expenses associated with certain legal matters. The Company reached a tentative settlement agreement related to an employment and wages claim. In addition, other employee benefit costs were \$0.9 million higher during the current nine-month period. Partially offsetting these amounts were decreases in other SG&A expenses, including lower transportation costs. Shipping and handling expense included in SG&A was \$27.1 million during the 2003 nine-month period versus \$28.2 million in last year's comparable period. As a percentage of net sales, SG&A expenses increased to 15.3% compared with 14.7% in the last year's nine-month period, primarily due to the negative leverage of lower sales volume.

Depreciation and amortization was \$15.4 million in the first nine months of 2003 versus \$14.6 million in last year's comparable period.

Interest expense totaled \$31.4 million for the nine months ended September 30, 2003 versus \$32.8 million in last year's comparable period. The decline was primarily due to a lower amount of indebtedness outstanding during the current period. Loss on debt extinguishments related to the Company recording non-cash charges of \$0.8 million and \$1.1 million during the nine month periods ended September 30, 2003 and 2002, respectively, related to the write-off of deferred financing costs associated with its revolving credit facilities partially offset by a \$0.6 million gain on repurchase of Senior Notes in 2003. Other expense totaled \$3.4 million in 2003, down from \$4.9 million in the comparable 2002 period, principally reflecting costs associated with the accounts receivable securitization program.

For the nine months ended September 30, 2003, income tax expense totaled \$5.1 million and the effective tax rate was 20.0%. Income tax expense totaled \$1.2 million in last year's comparable period and the effective tax rate was 6.1%. The effective tax rate in the current-year period differs from the statutory rate primarily as a result of the recognition of a \$2.6 million benefit associated with the favorable resolution of certain prior year tax contingencies, combined with the recognition of a \$0.6 million benefit associated with the utilization of a net operating loss. The 2002 effective tax rate differed from the statutory rate primarily due to a \$5.3 million benefit for the reversal of income tax contingency accruals upon acceptance by the IRS of tax returns filed through 1998 and the favorable conclusion of the IRS examination for 1999. In addition, the prior year effective rate was lower than the statutory rate due to deferred taxes being remeasured during the period reflecting the cumulative impact of a change in the expected tax rate that will be applicable when the deferred tax items reverse. The change in estimate was primarily due to state tax reduction initiatives. In addition, foreign tax credits contributed to the reduction in the effective rate during both 2003 and 2002.

For the nine months ended September 30, 2003, net income totaled \$20.6 million, or \$0.44 per diluted share, versus \$18.4 million, or \$0.39 per diluted share, in last year's comparable period.

#### LIQUIDITY AND CAPITAL RESOURCES

Total assets were \$1.2 billion and \$1.0 billion at September 30, 2003 and December 31, 2002, respectively. The increase in total assets was principally attributable to a \$118.5 million increase in trade accounts receivable, with \$88 million of the increase being attributable to reduced utilization of the Company's accounts receivable securitization program. In addition, non-current assets increased \$32.1 million during the nine months ended September 30, 2003, principally due to payments and estimated payments expected to be due under the Company's various earnout agreements. Such payments were recorded as an increase to goodwill. During the first nine months of 2003, total liabilities increased \$112.0 million to \$957.8 million. The increase was principally the result of a \$79.6 million increase in current liabilities, with trade accounts payable increasing \$34.9 million and other current liabilities increasing \$44.7 million. The increase in other current liabilities is principally due to an increase in estimated payments expected to be due under the Company's various earnout agreements, coupled with a \$8.9 million increase in accrued interest payable and a \$3.4 million increase in legal reserves. Long-term debt increased a net \$18.3 million, primarily due to a \$37.7 million increase in borrowings under the real estate financing that closed during the first nine months of 2003. Partially offsetting this increase was a reduction in debt associated with the repurchase of \$21.2 million of its Senior Notes during the nine-month period. Stockholders' equity increased \$26.4 million to \$195.7 million as of September 30, 2003 as a result of \$20.6 million in net income, coupled with a \$5.5 million favorable adjustment related to foreign currency translation.

WESCO's liquidity needs arise from seasonal working capital requirements, capital expenditures, acquisitions and debt service obligations. In addition, certain of our acquisition agreements contain earn-out provisions based principally on future earnings targets. The most significant of these agreements relates to the acquisition of Bruckner Supply Company ("Bruckner"), which provides for a maximum total earn-out potential of \$80 million based on achieving earnings targets during 2003 or 2004. The amount of earn-out proceeds earned that is payable in any single year subsequent to achieving the earnings target is capped under this agreement at \$30 million per year. As of September 30, 2003, the Company has accrued a \$45.0 million liability (\$30.0 million classified as current and \$15.0 million classified as non-current) to recognize the estimated amount owed under the agreement with Bruckner. The estimated payments accrued were recorded as an increase to goodwill. Certain other acquisitions also contain contingent consideration provisions, only one of which could require a significant payment. Management estimates this payment could range from \$0 to \$20 million and would be made in 2008. Payments made under the Company's various acquisition agreements totaled \$6.5 million and \$14.1 million during the nine months ended September 30, 2003 and 2002, respectively. To meet its funding requirements, WESCO uses a mix of internally generated cash flow, its revolving credit facility, its Receivables Facility and equity transactions.

WESCO finances its operating and investing needs, as follows:

#### Accounts Receivable Securitization Program

In September 2003, the Company entered into a new, \$300 million Receivables Facility agreement with four financial institutions. The new facility provides for a \$165 million purchase commitment with a term of 364 days and a \$135 million purchase commitment with a term of three years. Under the Receivables Facility, WESCO sells, on a continuous basis, to WESCO Receivables Corporation, a wholly-owned SPC, an undivided interest in all domestic accounts receivable. The SPC sells without recourse to a third-party conduit, all the eligible receivables while maintaining a subordinated interest, in the form of overcollateralization, in a portion of the receivables. WESCO has agreed to continue servicing the sold receivables for the financial institution at market rates; accordingly, no servicing asset or liability has been recorded. The effective cost of this financing facility is currently approximately 2.0% per annum. As of September 30, 2003, \$205 million in funding was outstanding under the Receivables Facility and excess availability was \$37.5 million.

#### Mortgage Financing Facility

In February 2003, WESCO finalized a \$51 million mortgage financing facility. Borrowings under the mortgage financing are subject to a 22-year amortization schedule with a balloon payment due at the end of the 10-year term. In 2003, scheduled principal payments total approximately \$0.8 million. Interest cost for the mortgage facility is fixed at 6.5% per annum. Proceeds from the borrowings were used to reduce outstanding borrowings under the 2002 Revolving Credit Facility.

#### 2002 Revolving Credit Facility

In March 2002, WESCO Distribution, Inc. entered into a \$290 million revolving credit agreement that is collateralized by substantially all inventory owned by WESCO and also by the accounts receivable of WESCO Canada. During the quarter ended September 30, 2003, the Company recorded a \$0.8 million non-cash charge associated with the write-off of deferred financing fees related to a Company-initiated amendment reducing the size of its revolving credit facility to \$190 million. Availability under the agreement, which matures in 2007, is limited to the amount of eligible inventory and Canadian receivables applied against certain advance rates. Proceeds from this agreement were used to retire WESCO Distribution Inc.'s existing revolving credit facility. Interest on this facility is at LIBOR plus a margin that will range between 2.0% to 2.75% depending upon the amount of excess availability under the facility. As long as the average daily excess availability for both the preceding and projected succeeding 90 day period is greater than \$50 million, then WESCO would be permitted to make acquisitions and repurchase outstanding public stock and bonds. The above permitted transactions would also be allowed if such excess availability is between \$25 million and \$50 million and WESCO's fixed charge coverage ratio, as defined by the agreement, is at least 1.25 to 1.0 after taking into consideration the permitted transaction. Additionally, if excess availability under the agreement is less than \$50 million, then WESCO must maintain a fixed charge coverage ratio of 1.1 to 1.0. At September 30, 2003, the interest rate was 3.6%. This facility also has various restrictive covenants including financial ratios. WESCO was in compliance with all such covenants as of September 30, 2003. As of September 30, 2003, WESCO had \$10 million in borrowings outstanding under this facility and, after deducting \$17 million in reserves (principally for outstanding letters of credit), \$147.8 million in availability.

## Senior Notes

As of September 30, 2003 WESCO had \$378.8 million in aggregate principal amount of senior subordinated notes due 2008. During the nine months ended September 30, 2003, the Company repurchased \$21.2 million in aggregate principal amount of senior subordinated notes at a net gain of \$0.6 million. The notes were issued with an average issue price of 98%. The net proceeds received by the Company from the notes were approximately \$376 million. Interest on these notes accrues at a rate of 9.125% per annum and is payable semi-annually on December 1 and June 1.

## Interest Rate Swap Agreements

During September and October of 2001, WESCO entered into four separate fixed-to-floating interest rate swap agreements, each with a notional amount of \$25 million. These agreements had six-year terms expiring concurrently with the 9.125% senior subordinated notes with the intent of converting \$100 million of the senior subordinated notes from a fixed-to-floating rate facility. Pursuant to these agreements, WESCO received fixed interest payments at the rate of 9.125% and was paid interest at three-month LIBOR rates plus a premium. The LIBOR rates in the agreements were reset quarterly. In June 2003, these agreements were called by the issuer and as a result the Company received a \$4.6 million payment. The gain resulting from the settlement of these agreements has been deferred and is being amortized as a reduction of interest expense over the remaining life of the senior subordinated notes.

In September 2003, the Company entered into a new, \$50 million interest rate swap agreement similar to the 2001 agreements noted above. The term of this agreement expires concurrently with the 9.125% senior subordinated notes. Pursuant to the agreement, WESCO receives fixed interest payments at a rate of 9.125% and pays interest at six-month LIBOR rates plus a premium. The LIBOR rates in the agreement reset every six months.

Management believes that cash generated from operations, together with amounts available under its credit facilities, will be sufficient to meet WESCO's working capital, capital expenditures and other cash requirements for the foreseeable future. There can be no assurance, however, that this will be or will continue to be the case.

## Cash Flow

**Operating Activities.** Cash used by operating activities during the nine months ended September 30, 2003 totaled \$1.5 million as compared to \$22.1 million in the prior year. Included in the 2003 use of cash was an \$88.0 million use associated with changes in WESCO's Receivables Facility compared to \$47.5 million in the prior year. In 2003, cash generated by net income of \$20.6 million plus adjustments for non-cash items totaling \$16.7 million, coupled with increased cash inflow for reductions in inventory of \$19.7 million, increases in accounts payable of \$29.3 million and other working capital cash inflows totaling \$20.0 million were partially offset by a \$19.8 million use of cash for increased accounts receivable. In 2002, cash generated by net income of \$18.4 million plus adjustments for non-cash items totaling \$27.7 million, coupled with increased cash inflow for reductions in inventory of \$27.1 million, reductions in accounts receivable of \$35.5 million and other working capital net cash outflows totaling \$3.6 million were more than offset by a \$79.8 million reduction in accounts payable.

**Investing Activities.** Net cash used for investing activities was \$10.9 million during the first nine months of 2003, principally due to acquisition payments totaling \$6.5 million and capital expenditures of \$5.6 million, partially offset by proceeds from the sale of property and buildings totaling \$1.2 million. In 2002, cash used by investing activities totaled \$18.8 million and included capital expenditures of \$5.4 million and acquisition payments of \$14.1 million, partially offset by proceeds from the sale of property of \$0.8 million.

**Financing Activities.** Net cash provided by financing activities during the first nine months of 2003 totaled \$19.6 million. Sources of cash resulted from the completion of the real estate financing, which provided \$38 million in funding, and \$4.6 million in proceeds from the settlement of its interest rate swap agreements. Partially offsetting these sources of cash was a \$20.8 million net cash outflow for debt repayments, including the \$19.7 million for the repurchase of senior subordinated notes, and a \$2.2 million net cash outflow for debt issue costs. In 2002, cash used for financing activities totaled \$8.5 million, primarily due to net borrowings of \$5.1 million and \$4.0 million in debt issue costs.

## Contractual Cash Obligations and Other Commercial Commitments

As disclosed above, WESCO finalized a \$51 million mortgage financing facility during the first quarter. As a result of finalizing this agreement, the total debt owed on the mortgage facility increased \$38 million to \$51 million as compared to \$13 million referenced in WESCO's 2002 Form 10-K. In 2003, scheduled principal payments total approximately \$0.8 million. There have been no other material changes in the Company's contractual cash obligations and other commercial commitments since December 31, 2002.

## Inflation

The rate of inflation, as measured by changes in the consumer price index, did not have a material effect on the sales or operating results of the Company during the periods presented. However, inflation in the future could affect the Company's operating costs. Price changes from suppliers have historically been consistent with inflation and have not had a material impact on the Company's results of operations.

## Seasonality

The Company's operating results are affected by certain seasonal factors. Sales are typically at their lowest during the first quarter due to a reduced level of activity during the winter months. Sales increase during the warmer months beginning in March and continuing through November. Sales drop again slightly in December as the weather cools and also as a result of a reduced level of activity during the holiday season. As a result, the Company reports sales and earnings in the first quarter that are generally lower than that of the remaining quarters.

## Impact of Recently Issued Accounting Standards

Effective June 30, 2003, WESCO adopted SFAS No. 149, "Amendment of Statement 133 on Derivative Instruments and Hedging Activities." This statement amends and clarifies financial accounting and reporting for derivatives and for hedging activities under SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities." This standard had no impact on WESCO's financial statements.

In May 2003, the FASB issued SFAS No. 150, "Accounting for Certain Instruments with Characteristics of Both Liabilities and Equity." This standard requires that certain financial instruments embodying an obligation to transfer assets or to issue equity securities be classified as liabilities. It is effective for financial instruments entered into or modified after May 31, 2003, and otherwise is generally effective July 1, 2003. This standard had no impact on WESCO's financial statements.

In November 2002, the FASB issued Interpretation No. 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others," which elaborates on the disclosures to be made by a guarantor in its interim and annual financial statements about its obligations under certain guarantees that it has issued. It also clarifies that a guarantor is required to recognize, at the inception of a guarantee, a liability for the fair value of the obligation undertaken in issuing the guarantee. This interpretation does not prescribe a specific approach for subsequently measuring the guarantor's recognized liability over the term of the related guarantee. This interpretation also incorporates, without change, the guidance in FASB Interpretation No. 34, "Disclosure of Indirect Guarantees of Indebtedness of Others," which is being superseded. The initial recognition and initial measurement provisions of this interpretation are applicable on a prospective basis to guarantees issued or modified beginning January 1, 2003. The adoption of this statement did not have a material impact on WESCO's financial statements.

In January 2003, the FASB issued Interpretation No. 46, "Consolidation of Variable Interest Entities." This interpretation requires unconsolidated variable interest entities to be consolidated by their primary beneficiaries if the entities do not effectively disperse the risk and rewards of ownership among their owners and other parties involved. The provisions of this interpretation are currently effective for all variable interest entities created after February 1, 2003 and variable interest entities in which an enterprise obtains an interest in after that date. For variable interest entities created before this date, the provisions are effective December 31, 2003. The adoption of this interpretation did not have a material impact on the Company's consolidated financial statements.



## FORWARD-LOOKING STATEMENTS

From time to time in this report and in other written reports and oral statements, references are made to expectations regarding the future performance of WESCO. When used in this context, the words "anticipates," "plans," "believes," "estimates," "intends," "expects," "projects" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such words. Such statements including, but not limited to, WESCO's statements regarding its business strategy, growth strategy, productivity and profitability enhancement, new product and service introductions and liquidity and capital resources are based on management's beliefs, as well as on assumptions made by, and information currently available to, management, and involve various risks and uncertainties, certain of which are beyond WESCO's control. WESCO's actual results could differ materially from those expressed in any forward-looking statement made by or on behalf of WESCO. In light of these risks and uncertainties there can be no assurance that the forward-looking information will in fact prove to be accurate. Factors that might cause actual results to differ from such forward-looking statements include, but are not limited to, an increase in competition, the amount of outstanding indebtedness, the availability of appropriate acquisition opportunities, availability of key products, functionality of information systems, international operating environments and other risks that are described in WESCO's Annual Report on Form 10-K for the year ended December 31, 2002 which are incorporated by reference herein. WESCO has undertaken no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

### ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISKS

Except as discussed below, there have not been any material changes to WESCO's exposures to market risk during the nine months ended September 30, 2003 that would require an update to the disclosures provided in WESCO's Form 10-K for the year-ended December 31, 2002.

As previously disclosed, the Company had interest rate swap agreements that were called by the issuer during the nine months ended September 30, 2003. The Company received a \$4.6 million payment related to the contracts. During the quarter ended September 30, 2003, the Company entered into a new interest rate swap agreement that had a fair value, as of September 30, 2003, of \$0.8 million.

### ITEM 4. CONTROLS AND PROCEDURES

WESCO's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), have evaluated the Company's disclosure controls and procedures as of the end of the period covered by this report and they have concluded that these controls and procedures are effective. There have been no significant changes in internal control over financial reporting that occurred during the quarter ended September 30, 2003, 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

From time to time, a number of lawsuits, claims and proceedings have been or may be asserted against us relating to the conduct of our business, including routine litigation relating to commercial and employment matters. While the outcome of litigation cannot be predicted with certainty, and some of these lawsuits, claims or proceedings may be determined adversely to the Company, the Company does not believe, based on information presently available to it, that the outcome of any of such pending matters is likely to have a material adverse effect on the Company.

The Company has reached a tentative settlement agreement related to an employment and wages claim. The Company currently expects this claim to be resolved by the end of its fiscal year 2003. The expected amount of \$3.9 million necessary to provide for the resolution of this matter has been previously accrued and reflected in the condensed consolidated financial statements as of September 30, 2003.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) EXHIBITS

10.1 Second Amended and Restated Receivables Purchase Agreement dated as of September 2, 2003 among WESCO Receivables Corp., WESCO Distribution, Inc., and the Lenders Identified therein.

31.1 Certification of Chief Executive Officer pursuant to Rules 13a-14(a) promulgated under the Exchange Act.

31.2 Certification of Chief Financial Officer pursuant to Rules 13a-14(a) promulgated under the Exchange Act.

32.1 Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

32.2 Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(b) REPORTS ON FORM 8-K

On July 23, 2003, WESCO filed a Current Report on Form 8-K pursuant to Item 9, issuing a press release announcing its earnings for the second quarter of 2003.

On September 8, 2003, WESCO filed a Current Report on Form 8-K pursuant to Item 5, issuing a press release announcing the successful completion of a revised Receivables Purchase facility.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on November 12, 2003 on its behalf by the undersigned thereunto duly authorized.

WESCO International, Inc. and Subsidiaries

By: /s/ Stephen A. Van Oss

-----  
Stephen A. Van Oss  
Vice President, Chief Financial Officer

SECOND AMENDED AND RESTATED RECEIVABLES PURCHASE AGREEMENT

dated as of September 2, 2003

among

WESCO RECEIVABLES CORP.,

WESCO DISTRIBUTION, INC.,  
as Servicer

THE VARIOUS PURCHASER GROUPS FROM TIME TO TIME PARTY HERETO

and

WACHOVIA SECURITIES, INC.,  
as Administrator

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This SECOND AMENDED AND RESTATED RECEIVABLES PURCHASE AGREEMENT (as amended, supplemented or otherwise modified from time to time, this "Agreement") is entered into as of September 2, 2003, among WESCO RECEIVABLES CORP., a Delaware corporation, as seller (the "Seller"), WESCO DISTRIBUTION, INC., a Delaware corporation ("WESCO"), as initial servicer (in such capacity, together with its successors and permitted assigns in such capacity, the "Servicer"), THE VARIOUS CONDUIT PURCHASERS AND RELATED COMMITTED PURCHASERS FROM TIME TO TIME PARTY HERETO, and WACHOVIA SECURITIES, INC., as Administrator for each Purchaser Group (in such capacity, and as successor to PNC Bank, National Association in such capacity, the "Administrator").

PRELIMINARY STATEMENTS. Certain terms that are capitalized and used throughout this Agreement are defined in Exhibit I. References in the Exhibits hereto to the "Agreement" refer to this Agreement, as amended, supplemented or otherwise modified from time to time.

This Agreement amends and restates in its entirety the Amended and Restated Receivables Purchase Agreement dated as of September 28, 1999 (the "Original Agreement"), among the Seller, the Servicer, the purchaser groups party thereto and PNC Bank, National Association as administrator thereunder. Upon the effectiveness of this Agreement, the terms and provisions of the Original Agreement shall, subject to this paragraph, be superseded hereby in their entirety. Notwithstanding the amendment and restatement of the Original Agreement by this Agreement, the Seller and the Servicer shall continue to be liable to the Purchasers, PNC Bank, National Association or any other Indemnified Party or Affected Person (as such terms are defined in the Original Agreement) with respect to all unpaid fees and expenses accrued to the date hereof under the Original Agreement and all agreements to indemnify such parties in connection with events or conditions arising or existing prior to the effective date of this Agreement. Upon the effectiveness of this Agreement, each reference to the Original Agreement in any other document, instrument or agreement shall mean and be a reference to this Agreement. Nothing contained herein, unless expressly herein stated to the contrary, is intended to amend, modify or otherwise effect any other instrument, document or agreement executed and or delivered in connection with the Original Agreement.

The Seller has and, from time to time from and after the date hereof, desires to sell, transfer and assign an undivided variable percentage interest in a pool of receivables, and the Purchasers desire to acquire such undivided variable percentage interest, as such percentage interest shall be adjusted from time to time based upon, in part, reinvestment payments that are made by such Purchasers.

In consideration of the mutual agreements, provisions and covenants contained herein, the parties hereto agree as follows:



ARTICLE I  
AMOUNTS AND TERMS OF THE PURCHASES

Section 1.1. Purchase Facility.

(a) On the terms and subject to the conditions hereof, the Seller may, from time to time before each applicable Facility Termination Date, request that the Conduit Purchasers, or, only if a Conduit Purchaser denies such request or is unable to fund (and provides notice of such denial or inability to the Seller, the Administrator and its Purchaser Agent), request that the Related Committed Purchasers, make purchases of and reinvestments in undivided percentage ownership interests with regard to the Purchased Interest from the Seller from time to time from the date hereof to each applicable Facility Termination Date. Subject to Section 1.4(b), concerning reinvestments, at no time will a Conduit Purchaser have any obligation to make a purchase. Each Related Committed Purchaser severally hereby agrees, on the terms and subject to the conditions hereof, to make Purchases before its applicable Facility Termination Date, as requested pursuant to Section 1.2(a) (each, a "Purchase") (and, in the case of each Related Committed Purchaser, based on its Commitment Percentage of its Purchaser Group's Ratable Share of such Purchase) to the extent its Investment would not thereby exceed its Commitment and the Aggregate Investment would not (after giving effect to all Purchases on such date) exceed the Purchase Limit.

(b) The Seller may, upon 30 days' written notice to the Administrator and each Purchaser Agent, reduce the unfunded portion of the Purchase Limit in whole or in part (but not below the amount which would cause the Group Investment of any Purchaser Group to exceed its Group Commitment (after giving effect to such reduction)); provided that each partial reduction shall be in the amount of at least \$5,000,000, or an integral multiple of \$1,000,000 in excess thereof and unless terminated in whole, the Purchase Limit shall in no event be reduced below \$150,000,000. Such reduction shall at the option of the Seller be applied either (i) ratably to reduce the Group Commitment of each Purchaser Group or (ii) to terminate the Group Commitment of any one Purchaser Group.

Section 1.2. Making Purchases.

(a) Each purchase (but not reinvestment) of undivided percentage ownership interests with regard to the Purchased Interest hereunder shall be made upon the Seller's irrevocable written notice in the form of Annex B delivered to the Administrator and each Purchaser Agent in accordance with Section 6.2 (which notice must be received by the Administrator and each Purchaser Agent before 11:00 a.m., New York City time) at least three Business Days before the requested Purchase Date (provided, however, that in the case of the first purchase hereunder, such notice may be received on the date hereof), which notice shall specify: (A) the amount requested to be paid to the Seller (such amount, which shall not be less than \$2,000,000, with respect to each Purchaser Group, being the aggregate of the Investments of each Purchaser within such Purchaser Group, relating to the undivided percentage ownership interest then being purchased), (B) the date of such purchase (which shall be a Business Day), (C) the amount requested from each Purchaser (which amount requested of each Purchaser may or may not be ratable among such Purchasers, as determined in the discretion of the Seller) and (D) a pro forma calculation of the Purchased Interest after giving effect to the increase in the

Aggregate Investment. If the Purchase is requested from a Conduit Purchaser and such Conduit Purchaser determines, in its sole discretion, to make the requested Purchase, such Conduit Purchaser shall, subject to the terms and conditions hereof, transfer to the account of the Seller described in Section 1.2(b) below (the "Disbursement Account"), an amount equal to the amount requested by the Seller to be funded by such Purchaser on the requested Purchase Date. If the Purchase is requested from the Related Committed Purchasers for a Purchaser Group (in the case where the related Conduit Purchaser determined not to or was unable to make such Purchase), subject to the terms and conditions hereof, such Related Committed Purchasers for a Purchaser Group shall use its reasonable best efforts to transfer the amount requested by the Seller to be funded by such Purchaser (and, in the case of each Related Committed Purchaser, based on its Commitment Percentage of its Purchaser Group's Ratable Share of such Purchase) into the Disbursement Account by no later than 1:00 p.m. (New York time) on the Purchase Date.

(b) On the date of each Purchase, each Purchaser (or the related Purchaser Agent on its behalf), shall make available to the Seller in same day funds, at PNC Bank, National Association, account number 1006970651, ABA 043000096, an amount equal to the proceeds of such Purchase.

(c) Effective on the date of each Purchase pursuant to this Section 1.2 and each reinvestment pursuant to Section 1.4, the Seller hereby sells and assigns to the Administrator for the benefit of the Purchasers (ratably, according to each such Purchaser's Investment) an undivided percentage ownership interest in: (i) each Pool Receivable then existing, (ii) all Related Security with respect to such Pool Receivables, and (iii) all Collections with respect to, and other proceeds of, such Pool Receivables and Related Security.

(d) To secure all of the Seller's obligations (monetary or otherwise) under this Agreement and the other Transaction Documents to which it is a party, whether now or hereafter existing or arising, due or to become due, direct or indirect, absolute or contingent, the Seller hereby grants to the Administrator, for the benefit of the Purchasers, a security interest in all of the Seller's right, title and interest (including any undivided interest of the Seller) in, to and under all of the following, whether now or hereafter owned, existing or arising: (i) all Pool Receivables, (ii) all Related Security with respect to such Pool Receivables, (iii) all Collections with respect to such Pool Receivables, (iv) the Lock-Box Accounts and all amounts on deposit therein, and all certificates and instruments, if any, from time to time evidencing such Lock-Box Accounts and amounts on deposit therein, (v) all rights (but none of the obligations) of the Seller under the Sale Agreement and (vi) all proceeds of, and all amounts received or receivable under any or all of, the foregoing (collectively, the "Pool Assets"). The Administrator, for the benefit of the Purchasers, shall have, with respect to the Pool Assets, and in addition to all the other rights and remedies available to the Administrator and the Purchasers, all the rights and remedies of a secured party under any applicable UCC.

(e) The Seller may, with the written consent of the Administrator and each Purchaser, add additional Persons as Purchasers (either to an existing Purchaser Group or by creating new Purchaser Groups) or cause an existing Purchaser to increase its Commitment in connection with a corresponding increase in the Purchase Limit; provided, however, that the Commitment of any Purchaser may only be increased with the consent of such Purchaser. Each new Purchaser (or Purchaser Group) and each Purchaser increasing its Commitment shall

become a party hereto or increase its Commitment, as the case may be, by executing and delivering to the Administrator and the Seller an Assumption Agreement in the form of Annex C hereto (which Assumption Agreement shall, in the case of any new Purchaser or Purchasers be executed by each Person in such new Purchaser's Purchaser Group).

(f) Each Related Committed Purchaser's obligation hereunder shall be several, such that the failure of any Related Committed Purchaser to make a payment in connection with any purchase hereunder shall not relieve any other Related Committed Purchaser of its obligation hereunder to make payment for any Purchase. Further, in the event any Related Committed Purchaser fails to satisfy its obligation to make a purchase as required hereunder, upon receipt of notice of such failure from the Administrator (or any relevant Purchaser Agent), subject to the limitations set forth herein, the non-defaulting Related Committed Purchasers in such defaulting Related Committed Purchaser's Purchaser Group shall purchase the defaulting Related Committed Purchaser's Commitment Percentage of the related Purchase pro rata in proportion to their relative Commitment Percentages (determined without regard to the Commitment Percentage of the defaulting Related Committed Purchaser; it being understood that a defaulting Related Committed Purchaser's Commitment Percentage of any Purchase shall be first put to the Related Committed Purchasers in such defaulting Related Committed Purchaser's Purchaser Group and thereafter if there are no other Related Committed Purchasers in such Purchaser Group or if such other Related Committed Purchasers are also defaulting Related Committed Purchasers, then such defaulting Related Committed Purchaser's Commitment Percentage of such Purchase shall be put to each other Purchaser Group ratably and applied in accordance with this paragraph (f)). Notwithstanding anything in this paragraph (f) to the contrary, no Related Committed Purchaser shall be required to make a Purchase pursuant to this paragraph for an amount which would cause the aggregate Investment of such Related Committed Purchaser (after giving effect to such Purchase) to exceed its Commitment.

Section 1.3. Purchased Interest Computation. The Purchased Interest shall be initially computed on the date of the initial Purchase hereunder. Thereafter, until the Facility Termination Date, such Purchased Interest shall be automatically recomputed (or deemed to be recomputed) on each Business Day other than a Termination Day. From and after the occurrence of any Termination Day, the Purchased Interest shall (until the event(s) giving rise to such Termination Day are satisfied or are waived by the Administrator and a Simple Majority of the Purchasers) be deemed to be 100%. The Purchased Interest shall become zero when the Aggregate Investment thereof and Aggregate Discount thereon shall have been paid in full, all the amounts owed by the Seller and the Servicer hereunder to each Purchaser, the Administrator and any other Indemnified Party or Affected Person are paid in full, and the Servicer shall have received the accrued Servicing Fee thereon.

#### Section 1.4. Settlement Procedures.

(a) The collection of the Pool Receivables shall be administered by the Servicer in accordance with this Agreement. The Seller shall provide to the Servicer on a timely basis all information needed for such administration, including notice of the occurrence of any Termination Day and current computations of the Purchased Interest.

(b) The Servicer shall, on each day on which Collections of Pool Receivables are received (or deemed received) by the Seller or the Servicer:

(i) set aside and hold in trust (and shall, at the request of the Administrator (with the consent or at the direction of a Simple Majority of the Purchasers), segregate in a separate account approved by the Administrator if, at the time of such request, there exists an Unmatured Termination Event or a Termination Event or if the failure to so segregate reasonably could be expected to cause a Material Adverse Effect) for the benefit of each Purchaser Group, out of such Collections, first, an amount equal to the Aggregate Discount accrued through such day for each Portion of Investment and not previously set aside, second, an amount equal to the fees set forth in each Purchaser Group Fee Letter accrued and unpaid through such day, and third, to the extent funds are available therefor, an amount equal to the aggregate of each Purchaser Group's Ratable Share of the Servicing Fee accrued through such day and not previously set aside,

(ii) subject to Section 1.4(f), if such day is not a Termination Day, remit to the Seller, ratably, on behalf of each Purchaser Group, the remainder of such Collections. Such remainder shall, to the extent representing a return on the Aggregate Investment, ratably, according to each Purchaser's Investment, be automatically reinvested in Pool Receivables, and in the Related Security, Collections and other proceeds with respect thereto; provided, however, that if the Purchased Interest would exceed 100%, then the Servicer shall not reinvest, but shall set aside and hold in trust for the benefit of the Purchasers (and shall, at the request of the Administrator (with the consent or at the direction of a Simple Majority of the Purchasers), segregate in a separate account approved by the Administrator if, at the time of such request, there exists an Unmatured Termination Event or a Termination Event or if the failure to so segregate reasonably could be expected to cause a Material Adverse Effect) a portion of such Collections that, together with the other Collections set aside pursuant to this paragraph, shall equal the amount necessary to reduce the Purchased Interest to 100%; provided, further, that (x) in the case of any Purchaser that is a Conduit Purchaser, if such Purchaser has provided notice (a "Declining Notice") to its Purchaser Agent, the Administrator, and the Servicer that such Purchaser (a "Declining Conduit Purchaser") no longer wishes Collections with respect to any Portion of Investment funded or maintained by such Purchaser to be reinvested pursuant to this clause (ii), and (y) in the case of any Purchaser that has provided notice (an "Exiting Notice") to its Purchaser Agent of either its refusal, pursuant to Section 1.10(a), to extend its Commitment hereunder or of its desire pursuant to Section 1.10(b) to terminate its Commitment hereunder (in either case, an "Exiting Purchaser") then in either case (x) or (y), above, such Collections shall not be reinvested and shall instead be held in trust for the benefit of such Purchaser and applied in accordance with clause (iii), below.

(iii) if such day is a Termination Day (or any day following the provision of a Declining Notice or an Exiting Notice), set aside, segregate and hold in trust (and shall, at the request of the Administrator (with the consent or at the direction of a Simple Majority of the Purchasers), segregate in a separate account approved by the Administrator) for the benefit of each Purchaser Group the entire remainder of the Collections (or in the case of a Declining Conduit Purchaser or an Exiting Purchaser an amount equal to such

Purchaser's ratable share of such Collections based on its Investment; provided, that solely for the purpose of determining such Purchaser's ratable share of such Collections, such Purchaser's Investment shall be deemed to remain constant from the date of the provision of a Declining Notice or an Exiting Notice, as the case may be, until the date such Purchaser's Investment has been paid in full; it being understood that if such day is also a Termination Day, such Declining Conduit Purchaser's or Exiting Purchaser's Investment shall be recalculated taking into account amounts received by such Purchaser in respect of this parenthetical and thereafter Collections shall be set aside for such Purchaser ratably in respect of its Investment (as recalculated)); provided, that if amounts are set aside and held in trust on any Termination Day of the type described in clause (a) of the definition of "Termination Day" (or any day following the provision of a Declining Notice or an Exiting Notice) and, thereafter, the conditions set forth in Section 2 of Exhibit II are satisfied or waived by the Administrator and a Simple Majority of the Purchasers (or in the case of a Declining Notice or an Exiting Notice, such Declining Notice or Exiting Notice, as the case may be, has been revoked by the related Declining Conduit Purchaser or Exiting Purchaser, respectively and written notice thereof has been provided to the Administrator, the related Purchaser Agent and the Servicer), such previously set-aside amounts shall, to the extent representing a return on Aggregate Investment (or the Investment of the Declining Conduit Purchaser or Exiting Purchaser, as the case may be) and ratably in accordance with each Purchaser's Investment, be reinvested in accordance with clause (ii) on the day of such subsequent satisfaction or waiver of conditions or revocation of Declining Notice or Exiting Notice, as the case may be, and

(iv) release to the Seller (subject to Section 1.4(f)) for its own account any Collections in excess of: (x) amounts required to be reinvested in accordance with clause (ii) or the proviso to clause (iii) plus (y) the amounts that are required to be set aside pursuant to clause (i), the proviso to clause (ii) and clause (iii) plus (z) the Seller's Share of the Servicing Fee accrued and unpaid through such day and all reasonable and appropriate out-of-pocket costs and expenses of the Servicer for servicing, collecting and administering the Pool Receivables.

(c) The Servicer shall, in accordance with the priorities set forth in Section 1.4(d), below, deposit into each applicable Purchaser's account (or such other account designated by such applicable Purchaser or its Purchaser Agent), on each Settlement Date, Collections held for each Purchaser with respect to such Purchaser's Portion(s) of Investment pursuant to clause (b)(i) or (f) plus the amount of Collections then held for such Purchaser pursuant to clauses (b)(ii) and (iii) of Section 1.4; provided, that if WESCO or an Affiliate thereof is the Servicer, such day is not a Termination Day and the Administrator has not notified WESCO (or such Affiliate) that such right is revoked, WESCO (or such Affiliate) may retain the portion of the Collections set aside pursuant to clause (b)(i) that represents the aggregate of each Purchaser Group's Ratable Share of the Servicing Fee. Within three Business Days of the last day of each Yield Period with respect to any Portion of Investment, the applicable Purchaser Agent will notify the Servicer by facsimile of the amount of the Discount accrued with respect to each such Portion of Investment during the related Yield Period then ending.

(d) The Servicer shall distribute the amounts described (and at the times set forth) in Section 1.4(c), as follows:

(i) if such distribution occurs on a day that is not a Termination Day and the Purchased Interest does not exceed 100%, first to each Purchaser Agent ratably according to the Discount accrued during such Yield Period (for the benefit of the relevant Purchasers within such Purchaser Agent's Purchaser Group) in payment in full of all accrued Discount and fees (other than Servicing Fees) with respect to each Portion of Investment maintained by such Purchasers; it being understood that each Purchaser Agent shall distribute such amounts to the Purchasers within its Purchaser Group ratably according to Discount, and second, if the Servicer has set aside amounts in respect of the Servicing Fee pursuant to clause (b)(i) and has not retained such amounts pursuant to clause (c), to the Servicer's own account (payable in arrears on each Settlement Date) in payment in full of the aggregate of each Purchaser Group's Ratable Share of accrued Servicing Fees so set aside, and

(ii) if such distribution occurs on a Termination Day or on a day when the Purchased Interest exceeds 100%, first, if WESCO or an Affiliate thereof is not the Servicer, to the Servicer's own account in payment in full of all accrued Servicing Fees, second, to each Purchaser Agent ratably according to Investment (for the benefit of the relevant Purchasers within such Purchaser Agent's Purchaser Group) in payment in full of all accrued Discount with respect to each Portion of Investment funded or maintained by the Purchasers within such Purchaser Agent's Purchaser Group, third, to each Purchaser Agent (for the benefit of the relevant Purchasers within such Purchaser Agent's Purchaser Group) ratably according to the fees accrued (other than Servicing Fees) in payment in full of all accrued fees (other than Servicing Fees) with respect to each Portion of Investment maintained by such Purchasers, fourth, to each Purchaser Agent ratably according to the aggregate of the Investment of each Purchaser in each such Purchaser Agent's Purchaser Group (for the benefit of the relevant Purchasers within such Purchaser Agent's Purchaser Group) in payment in full of each Purchaser's Investment (or, if such day is not a Termination Day, the amount necessary to reduce the Purchased Interest to 100%); it being understood that each Purchaser Agent shall distribute the amounts described in the second, third and fourth clauses of this Section 1.4(d)(ii) to the Purchasers within its Purchaser Group ratably according to Investment or, in the case of the third clause of this Section 1.4(d)(ii), fees (not including the Servicing Fee), fifth, to each non-Group A Purchaser Agent ratably according to the aggregate of the Investment of each non-Group A Purchaser in each such non-Group A Purchaser Agent's Purchaser Group (for the benefit of the relevant non-Group A Purchasers within such non-Group A Purchaser Agent's Purchaser Group) in payment in full of the aggregate outstanding principal balance of each such non-Group A Purchaser's Investment to the extent not paid pursuant to the fourth clause of this Section 1.4(d)(ii), sixth, if the Aggregate Investment and accrued Aggregate Discount with respect to each Portion of Investment for all Purchaser Groups have been reduced to zero, and all accrued Servicing Fees payable to the Servicer (if other than WESCO or an Affiliate thereof) have been paid in full, to each Purchaser Group ratably (for the benefit of the Purchasers within such Purchaser Group) in accordance with its Ratable Share, the Administrator and any other Indemnified Party or Affected Person in payment in full of

any other amounts) owed thereto by the Seller or Servicer hereunder, and seventh, to the Servicer's own account (if the Servicer is WESCO or an Affiliate thereof) in payment in full of the Aggregate of each Purchaser Group's Ratable Share of all accrued Servicing Fees.

After the Aggregate Investment, Aggregate Discount, fees payable pursuant to each Purchaser Group Fee Letter and Servicing Fees with respect to the Purchased Interest, and any other amounts payable by the Seller and the Servicer to each Purchaser Group, the Administrator or any other Indemnified Party or Affected Person hereunder, have been paid in full, all additional Collections with respect to the Purchased Interest shall be paid to the Seller for its own account.

(e) For the purposes of this Section 1.4:

(i) if on any day the Outstanding Balance of any Pool Receivable is reduced or adjusted as a result of any defective, rejected, returned, repossessed or foreclosed goods or services, or any revision, cancellation, allowance, discount or other adjustment made by the Seller or any Affiliate of the Seller, or the Servicer or any Affiliate of the Servicer, or any setoff or dispute between the Seller or any Affiliate of the Seller, or the Servicer or any Affiliate of the Servicer and an Obligor, the Seller shall be deemed to have received on such day a Collection of such Pool Receivable in the amount of such reduction or adjustment;

(ii) if on any day any of the representations or warranties in Section 1(g) or (n) of Exhibit III is not true with respect to any Pool Receivable, the Seller shall be deemed to have received on such day a Collection of such Pool Receivable in full;

(iii) except as provided in clause (i) or (ii), or as otherwise required by applicable law or the relevant Contract, all Collections received from an Obligor of any Receivable shall be applied to the Receivables of such Obligor in the order of the age of such Receivables, starting with the oldest such Receivable, unless such Obligor designates in writing its payment for application to specific Receivables; and

(iv) if and to the extent the Administrator, any Purchaser Agent or any Purchaser shall be required for any reason to pay over to an Obligor (or any trustee, receiver, custodian or similar official in any Insolvency Proceeding) any amount received by it hereunder, such amount shall be deemed not to have been so received by such Person but rather to have been retained by the Seller and, accordingly, such Person shall have a claim against the Seller for such amount, payable when and to the extent that any distribution from or on behalf of such Obligor is made in respect thereof.

(f) If at any time the Seller shall wish to cause the reduction of Aggregate Investment (but not to commence the liquidation, or reduction to zero, of the entire Aggregate Investment, the Seller may do so as follows:

(i) the Seller shall give the Administrator, each Purchaser Agent and the Servicer (A) at least two Business Days' prior written notice thereof for any reduction of Aggregate Investment less than or equal to \$10,000,000 and (B) at least ten Business Days' prior written notice thereof for any reduction of Aggregate Investment greater than

\$10,000,000 (in each case such notice shall include the amount of such proposed reduction and the proposed date on which such reduction will commence);

(ii) on the proposed date of commencement of such reduction and on each day thereafter, the Servicer shall cause Collections not to be reinvested until the amount thereof not so reinvested shall equal the desired amount of reduction; and

(iii) the Servicer shall hold such Collections in trust for the benefit of each Purchaser ratably according to its Investment, for payment to each such Purchaser (or its related Purchaser Agent for the benefit of such Purchaser) on the next Settlement Date with respect to any Portions of Investment maintained by such Purchaser immediately following the related current Yield Period, and the Aggregate Investment (together with the Investment of any related Purchaser) shall be deemed reduced in the amount to be paid to such Purchaser (or its related Purchaser Agent for the benefit of such Purchaser) only when in fact finally so paid;

; provided, that:

(A) the amount of any such reduction shall be not less than \$1,000,000 for each Purchaser Group and shall be an integral multiple of \$500,000, and the entire Aggregate Investment after giving effect to such reduction shall be not less than \$200,000,000 and shall be in an integral multiple of \$1,000,000 (unless the Aggregate Investment shall have been reduced to zero); and

(B) with respect to any Portion of Investment, the Seller shall choose a reduction amount, and the date of commencement thereof, so that to the extent practicable such reduction shall commence and conclude in the same Yield Period.

Section 1.5. Fees. The Seller shall pay to each Purchaser Agent for the benefit of the related Purchasers certain fees in the amounts and on the dates set forth in those certain fee letters, each such letter (as amended or amended and restated through the date hereof and as amended, supplemented, or otherwise modified from time to time, a "Purchaser Group Fee Letter"), in each case among the Seller, the Servicer and the related Purchaser Agent.

Section 1.6. Payments and Computations, Etc.

(a) All amounts to be paid or deposited by the Seller or the Servicer hereunder shall be made without reduction for offset or counterclaim and shall be paid or deposited no later than noon (New York City time) on the day when due in same day funds to the applicable Purchaser's account (as such account is identified in the related Purchaser Group Fee Letter). All amounts received after noon (New York City time) will be deemed to have been received on the next Business Day.

(b) The Seller or the Servicer, as the case may be, shall, to the extent permitted by law, pay interest on any amount not paid or deposited by the Seller or the Servicer, as the case may be, when due hereunder, at an interest rate equal to 2.0% per annum above the Base Rate, payable on demand.



(c) All computations of interest under clause (b) and all computations of Discount, fees and other amounts hereunder shall be made on the basis of a year of 360 (or 365 or 366, as applicable, with respect to Discount or other amounts calculated by reference to the Base Rate) days for the actual number of days elapsed. Whenever any payment or deposit to be made hereunder shall be due on a day other than a Business Day, such payment or deposit shall be made on the next Business Day and such extension of time shall be included in the computation of such payment or deposit.

#### Section 1.7. Increased Costs.

(a) If any Purchaser Agent, Purchaser, Liquidity Provider, the Administrator or any other Program Support Provider or any of their respective Affiliates (each an "Affected Person") reasonably determines that the existence of or compliance with: (i) any law or regulation or any change therein or in the interpretation or application thereof, in each case adopted, issued or occurring after the date hereof, or (ii) any request, guideline or directive from any central bank or other Governmental Authority (whether or not having the force of law) issued or occurring after the date of this Agreement, affects or would affect the amount of capital required or expected to be maintained by such Affected Person, and such Affected Person determines that the amount of such capital is increased by or based upon the existence of any commitment to make purchases of (or otherwise to maintain the investment in) Pool Receivables related to this Agreement or any related liquidity facility, credit enhancement facility or other commitments of the same type, then, upon demand by such Affected Person (with a copy to the Administrator), the Seller shall promptly pay to the Administrator, for the account of such Affected Person, from time to time as specified by such Affected Person, additional amounts sufficient to compensate such Affected Person in the light of such circumstances, to the extent that such Affected Person reasonably determines such increase in capital to be allocable to the existence of any of such commitments. A certificate as to such amounts submitted to the Seller and the Administrator by such Affected Person shall be conclusive and binding for all purposes, absent manifest error.

(b) If, due to either: (i) the introduction of or any change in or in the interpretation of any law or regulation or (ii) compliance with any guideline or request from any central bank or other Governmental Authority (whether or not having the force of law), there shall be any increase in the cost to any Affected Person of agreeing to purchase or purchasing, or maintaining the ownership of, the Purchased Interest or any portion thereof in respect of which Discount is computed by reference to the Euro-Rate, then, upon demand by such Affected Person, the Seller shall promptly pay to such Affected Person, from time to time as specified by such Affected Person, additional amounts sufficient to compensate such Affected Person for such increased costs. A certificate as to such amounts submitted to the Seller and the Administrator by such Affected Person shall be conclusive and binding for all purposes, absent manifest error.

(c) If such increased costs affect the related Affected Person's portfolio of financing transactions, such Affected Person shall use reasonable averaging and attribution methods to allocate such increased costs to the transactions contemplated by this Agreement.

(d) For the avoidance of doubt, any interpretation of Accounting Research Bulletin No. 51 by the Financial Accounting Standards Board ("FASB") (including, without limitation, FASB Interpretation No. 46), shall (notwithstanding anything in this paragraph or otherwise in this Agreement to the contrary, whether or not issued or occurring on or prior to or after the date hereof) constitute an adoption, change, request, guideline or directive subject to this Section 1.7.

#### Section 1.8. Requirements of Law.

If any Affected Person reasonably determines that the existence of or compliance with: (a) any law or regulation or any change therein or in the interpretation or application thereof, in each case adopted, issued or occurring after the date hereof, or (b) any request, guideline or directive from any central bank or other Governmental Authority (whether or not having the force of law) issued or occurring after the date of this Agreement:

(i) does or shall subject such Affected Person to any tax of any kind whatsoever with respect to this Agreement, any increase in the Purchased Interest or any portion thereof or in the amount of such Person's Investment relating thereto, or does or shall change the basis of taxation of payments to such Affected Person on account of Collections, Discount or any other amounts payable hereunder (excluding taxes imposed on the overall pre-tax net income of such Affected Person, and franchise taxes imposed on such Affected Person, by the jurisdiction under the laws of which such Affected Person is organized or a political subdivision thereof),

(ii) does or shall impose, modify or hold applicable any reserve, special deposit, compulsory loan or similar requirement against assets held by, or deposits or other liabilities in or for the account of, purchases, advances or loans by, or other credit extended by, or any other acquisition of funds by, any office of such Affected Person that are not otherwise included in the determination of the Euro-Rate or the Base Rate hereunder, or

(iii) does or shall impose on such Affected Person any other condition,

and the result of any of the foregoing is: (A) to increase the cost to such Affected Person of acting as Administrator or as a Purchaser Agent, or of agreeing to purchase or purchasing or maintaining the ownership of undivided percentage ownership interests with regard to the Purchased Interest (or interests therein) or any Portion of Investment, or (B) to reduce any amount receivable hereunder (whether directly or indirectly), then, in any such case, upon demand by such Affected Person, the Seller shall promptly pay to such Affected Person additional amounts necessary to compensate such Affected Person for such additional cost or reduced amount receivable. All such amounts shall be payable as incurred. A certificate from such Affected Person to the Seller and the Administrator certifying, in reasonably specific detail, the basis for, calculation of, and amount of such additional costs or reduced amount receivable shall be conclusive and binding for all purposes, absent manifest error; provided, however, that no Affected Person shall be required to disclose any confidential or tax planning information in any such certificate.

Section 1.9. Inability to Determine Euro-Rate.

(a) If the Administrator (or any Purchaser Agent) determines before the first day of any Yield Period (which determination shall be final and conclusive) that, by reason of circumstances affecting the interbank eurodollar market generally, deposits in dollars (in the relevant amounts for such Yield Period) are not being offered to banks in the interbank eurodollar market for such Yield Period, or adequate means do not exist for ascertaining the Euro-Rate for such Yield Period, then the Administrator shall give notice thereof to the Seller. Thereafter, until the Administrator or such Purchaser Agent notifies the Seller that the circumstances giving rise to such suspension no longer exist, (a) no Portion of Investment shall be funded at the Yield Rate determined by reference to the Euro-Rate and (b) the Discount for any outstanding Portions of Investment then funded at the Yield Rate determined by reference to the Euro-Rate shall, on the last day of the then current Yield Period, be converted to the Yield Rate determined by reference to the Base Rate.

(b) If, on or before the first day of any Yield Period, the Administrator shall have been notified by any Purchaser, Purchaser Agent or Liquidity Provider that, such Person has determined (which determination shall be final and conclusive) that, any enactment, promulgation or adoption of or any change in any applicable law, rule or regulation, or any change in the interpretation or administration thereof by a governmental authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by such Person with any guideline, request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency shall make it unlawful or impossible for such Person to fund or maintain any Portion of Investment at the Yield Rate and based upon the Euro-Rate, the Administrator shall notify the Seller thereof. Upon receipt of such notice, until the Administrator notifies the Seller that the circumstances giving rise to such determination no longer apply, (a) no Portion of Investment shall be funded at the Yield Rate determined by reference to the Euro-Rate and (b) the Discount for any outstanding Portions of Investment then funded at the Yield Rate determined by reference to the Euro-Rate shall be converted to the Yield Rate determined by reference to the Base Rate either (i) on the last day of the then current Yield Period if such Person may lawfully continue to maintain such Portion of Investment at the Yield Rate determined by reference to the Euro-Rate to such day, or (ii) immediately, if such Person may not lawfully continue to maintain such Portion of Investment at the Yield Rate determined by reference to the Euro-Rate to such day.

Section 1.10. Extension of Termination Date.

(a) The Seller may advise the Administrator and each Related Committed Purchaser in writing of its desire to extend the Scheduled Commitment Termination Date with respect to such Purchaser; provided such request is made not more than 90 days prior to, and not less than 60 days prior to, the then current Scheduled Commitment Termination Date with respect to such Purchaser. In the event that the applicable Purchaser is agreeable to such extension, the Administrator shall so notify the Seller in writing (it being understood that the Purchasers may accept or decline such a request in their sole discretion and on such terms as they may elect) not less than 30 days prior to its then current Scheduled Commitment Termination Date and the Seller, the Administrator, the Purchaser Agents and the Purchasers shall enter into such documents as the Purchasers may deem necessary or appropriate to reflect such extension, and all reasonable costs and expenses incurred by the Purchasers, the Administrator and the Purchaser Agents in connection therewith (including reasonable Attorneys' Costs) shall be paid by the Seller. In the event a Purchaser declines the request for such extension,

the Administrator shall so notify the Seller and each Purchaser Agent of such determination; provided, however, that the failure of the Administrator to notify the Seller of the determination to decline such extension shall not affect the understanding and agreement that the Purchaser shall be deemed to have refused to grant the requested extension in the event the Administrator fails to affirmatively notify the Seller, in writing, of their agreement to accept the requested extension.

(b) Any Purchaser may, upon 45 days' written notice by the related Purchaser Agent to the Administrator and the Seller, terminate its Commitment hereunder (it being understood that upon delivery of such notice, such Purchaser shall be an Exiting Purchaser and shall receive Collections as described in Section 1.4(b)). Thereafter, such Purchaser's Commitment shall terminate and such Purchaser (and in the case of a termination pursuant to this paragraph of the Commitments of an entire Purchaser Group, the related Purchaser Agent) shall have no further rights or obligations hereunder (except for (i) its rights to continue to receive payments hereunder with respect to Investment, Discount and Fees in connection with its Investment in the Purchased Interest, (ii) its rights to receive any other amounts owing to such Purchaser as an Indemnified Party or Affected Person, (iii) any voting rights that such Purchaser may have with respect to any Lock-Box Account and the related Lock-Box Agreement and (iv) any other rights that expressly survive termination, in each case until all payments owed to such Purchaser hereunder have been paid in full).

ARTICLE II.  
REPRESENTATIONS AND WARRANTIES; COVENANTS;  
TERMINATION EVENTS

Section 2.1. Representations and Warranties; Covenants. Each of the Seller, WESCO and the Servicer hereby makes the representations and warranties, and hereby agrees to perform and observe the covenants, applicable to it set forth in Exhibits III and IV, respectively.

Section 2.2. Termination Events. If any of the Termination Events set forth in Exhibit V shall occur, the Administrator may (with the consent of a Simple Majority of the Purchasers) or shall (at the direction of a Simple Majority of the Purchasers), by notice to the Seller, declare the Facility Termination Date to have occurred (in which case the Facility Termination Date shall be deemed to have occurred); provided, that automatically upon the occurrence of any event (without any requirement for the passage of time or the giving of notice) described in paragraph (f) of Exhibit V, the Facility Termination Date shall occur. Upon any such declaration, occurrence or deemed occurrence of the Facility Termination Date, the Administrator, each Purchaser Agent and each Purchaser shall have, in addition to the rights and remedies that they may have under this Agreement, all other rights and remedies provided after default under the New York UCC and under other applicable law, which rights and remedies shall be cumulative.

ARTICLE III.  
INDEMNIFICATION

Section 3.1. Indemnities by the Seller. Without limiting any other rights that any Purchaser Agent, Purchaser, Liquidity Provider, the Administrator or any Program Support Provider or any of their respective Affiliates, employees, officers, directors, agents, counsel, successors, transferees or assigns (each, an "Indemnified Party") may have hereunder or under applicable law, the Seller hereby agrees to indemnify each Indemnified Party from and against any and all claims, damages, expenses, costs, losses and liabilities (including Attorney Costs) (all of the foregoing being collectively referred to as "Indemnified Amounts") arising out of or resulting from this Agreement (whether directly or indirectly), the use of proceeds of purchases or reinvestments, the ownership of the Purchased Interest, or any interest therein, or in respect of any Receivable, Related Security or Contract, excluding, however: (a) Indemnified Amounts to the extent resulting from gross negligence or willful misconduct on the part of such Indemnified Party or its officers, directors, agents or counsel, (b) recourse with respect to any Receivable to the extent that such Receivable is uncollectible on account of the insolvency, bankruptcy or lack of credit worthiness of the related Obligor, or (c) any overall net income taxes or franchise taxes imposed on such Indemnified Party by the jurisdiction under the laws of which such Indemnified Party is organized or any political subdivision thereof. Without limiting or being limited by the foregoing, and subject to the exclusions set forth in the preceding sentence, the Seller shall pay on demand (which demand shall be accompanied by documentation of the Indemnified Amounts, in reasonable detail) to each Indemnified Party any and all amounts necessary to indemnify such Indemnified Party from and against any and all Indemnified Amounts relating to or resulting from any of the following:

(i) the failure of any Receivable included in the calculation of the Net Receivables Pool Balance as an Eligible Receivable to be an Eligible Receivable, the failure of any information contained in an Information Package to be true and correct, or the failure of any other information provided to such Indemnified Party by the Seller or Servicer with respect to Receivables or this Agreement to be true and correct,

(ii) the failure of any representation, warranty or statement made or deemed made by the Seller (or any of its officers) under or in connection with this Agreement to have been true and correct as of the date made or deemed made in all respects when made,

(iii) the failure by the Seller to comply with any applicable law, rule or regulation with respect to any Pool Receivable or the related Contract, or the failure of any Pool Receivable or the related Contract to conform to any such applicable law, rule or regulation,

(iv) the failure to vest in the Administrator (for the benefit of the Purchasers) a valid and enforceable: (A) perfected undivided percentage ownership interest, to the extent of the Purchased Interest, in the Receivables in, or purporting to be in, the Receivables Pool and the other Pool Assets, or (B) first priority perfected security interest in the Pool Assets, in each case, free and clear of any Adverse Claim,

(v) the failure to have filed, or any delay in filing, financing statements or other similar instruments or documents under the UCC of any applicable jurisdiction or other applicable laws with respect to any Receivables in, or purporting to be in, the Receivables Pool and the other Pool Assets, whether at the time of any purchase or reinvestment or at any subsequent time,

(vi) any dispute, claim, offset or defense (other than discharge in bankruptcy of the Obligor) of the Obligor to the payment of any Receivable in, or purporting to be in, the Receivables Pool (including a defense based on such Receivable or the related Contract not being a legal, valid and binding obligation of such Obligor enforceable against it in accordance with its terms), or any other claim resulting from the sale of the goods or services related to such Receivable or the furnishing or failure to furnish such goods or services or relating to collection activities with respect to such Receivable,

(vii) any failure of the Seller, any Affiliate of the Seller or the Servicer to perform its duties or obligations in accordance with the provisions hereof or under the Contracts,

(viii) any products liability or other claim, investigation, litigation or proceeding arising out of or in connection with merchandise, insurance or services that are the subject of any Contract,

(ix) the commingling of Collections at any time with other funds,

(x) the use of proceeds of purchases or reinvestments, or

(xi) any reduction in the Aggregate Investment as a result of the distribution of Collections pursuant to Section 1.4(d), if all or a portion of such distributions shall thereafter be rescinded or otherwise must be returned for any reason.

Section 3.2. Indemnities by the Servicer. Without limiting any other rights that any Indemnified Party may have hereunder or under applicable law, the Servicer hereby agrees to indemnify each Indemnified Party from and against any and all Indemnified Amounts arising out of or resulting from (whether directly or indirectly): (a) the failure of any information contained in an Information Package to be true and correct, or the failure of any other information provided to such Indemnified Party by, or on behalf of, the Servicer to be true and correct, (b) the failure of any representation, warranty or statement made or deemed made by the Servicer (or any of its officers) under or in connection with this Agreement or any other Transaction Document to which it is a party to have been true and correct as of the date made or deemed made in all respects when made, (c) the failure by the Servicer to comply with any applicable law, rule or regulation with respect to any Pool Receivable or the related Contract, (d) any dispute, claim, offset or defense of the Obligor to the payment of any Receivable in, or purporting to be in, the Receivables Pool resulting from or related to the collection activities with respect to such Receivable, or (e) any failure of the Servicer to perform its duties or obligations in accordance with the provisions hereof or any other Transaction Document to which it is a party.

ARTICLE IV.  
ADMINISTRATION AND COLLECTIONS

Section 4.1. Appointment of the Servicer.

(a) The servicing, administering and collection of the Pool Receivables shall be conducted by the Person so designated from time to time as the Servicer in accordance with this Section. Until the Administrator gives notice to WESCO (in accordance with this Section 4.1) of the designation of a new Servicer, WESCO is hereby designated as, and hereby agrees to perform the duties and obligations of, the Servicer pursuant to the terms hereof. Upon the occurrence of a Termination Event, the Administrator may (with the consent of the Majority Purchasers) or shall (at the direction of the Majority Purchasers) designate as Servicer any Person (including itself) to succeed WESCO or any successor Servicer, on the condition in each case that any such Person so designated shall agree to perform the duties and obligations of the Servicer pursuant to the terms hereof.

(b) Upon the designation of a successor Servicer as set forth in clause (a), WESCO agrees that it will terminate its activities as Servicer hereunder in a manner that the Administrator determines will facilitate the transition of the performance of such activities to the new Servicer, and WESCO shall cooperate with and assist such new Servicer. Such cooperation shall include access to and transfer of related records (including all Contracts) and use by the new Servicer of all licenses, hardware or software necessary or desirable to collect the Pool Receivables and the Related Security.

(c) WESCO acknowledges that, in making their decision to execute and deliver this Agreement, the Administrator and each Purchaser Group have relied on WESCO's agreement to act as Servicer hereunder. Accordingly, WESCO agrees that it will not voluntarily resign as Servicer.

(d) The Servicer may delegate its duties and obligations hereunder to any subservicer (each a "Sub-Servicer"); provided, that, in each such delegation: (i) such Sub-Servicer shall agree in writing to perform the duties and obligations of the Servicer pursuant to the terms hereof, (ii) the Servicer shall remain primarily liable for the performance of the duties and obligations so delegated, (iii) the Seller, the Administrator and each Purchaser Group shall have the right to look solely to the Servicer for performance, and (iv) the terms of any agreement with any Sub-Servicer shall provide that the Administrator may terminate such agreement upon the termination of the Servicer hereunder by giving notice of its desire to terminate such agreement to the Servicer (and the Servicer shall provide appropriate notice to each such Sub-Servicer); provided, however, that if any such delegation is to any Person other than an Originator or an Affiliate thereof, the Administrator and the Majority Purchasers shall have consented in writing in advance to such delegation.

Section 4.2. Duties of the Servicer.

(a) The Servicer shall take or cause to be taken all such action as may be necessary or advisable to administer and collect each Pool Receivable from time to time, all in accordance with this Agreement and all applicable laws, rules and regulations, with reasonable

care and diligence, and in accordance with the Credit and Collection Policies. The Servicer shall set aside, for the account of each Purchaser Group, the amount of the Collections to which each such Purchaser Group is entitled in accordance with Article I. The Servicer may, in accordance with the applicable Credit and Collection Policy, extend the maturity of any Pool Receivable (but not beyond 30 days or beyond 90 days from the original invoice date) and extend the maturity or adjust the Outstanding Balance of any Defaulted Receivable as the Servicer may determine to be appropriate to maximize Collections thereof; provided, however, that: (i) such extension or adjustment shall not alter the status of such Pool Receivable as a Delinquent Receivable or a Defaulted Receivable or limit the rights of the Administrator or any Purchaser Group under this Agreement and (ii) if a Termination Event has occurred and WESCO or an Affiliate thereof is serving as the Servicer, WESCO or such Affiliate may make such extension or adjustment only upon the prior approval of the Administrator (with the consent of the Majority Purchasers). The Seller shall deliver to the Servicer and the Servicer shall hold for the benefit of the Seller and the Administrator (individually and for the benefit of each Purchaser Group), in accordance with their respective interests, all records and documents (including computer tapes or disks) with respect to each Pool Receivable. Notwithstanding anything to the contrary contained herein, the Administrator may direct the Servicer (whether the Servicer is WESCO or any other Person) to commence or settle any legal action to enforce collection of any Pool Receivable or to foreclose upon or repossess any Related Security; provided, however, that no such direction may be given unless either: (A) a Termination Event has occurred or (B) the Administrator believes in good faith that failure to commence, settle or effect such legal action, foreclosure or repossession could adversely affect Receivables constituting a material portion of the Pool Receivables.

(b) The Servicer shall, as soon as practicable following actual receipt of collected funds, turn over to the Seller the collections of any indebtedness that is not a Pool Receivable, less, if WESCO or an Affiliate thereof is not the Servicer, all reasonable and appropriate out-of-pocket costs and expenses of such Servicer of servicing, collecting and administering such collections. The Servicer, if other than WESCO or an Affiliate thereof, shall, as soon as practicable upon demand, deliver to the Seller all records in its possession that evidence or relate to any indebtedness that is not a Pool Receivable, and copies of records in its possession that evidence or relate to any indebtedness that is a Pool Receivable.

(c) The Servicer's obligations hereunder shall terminate on the later of: (i) the Facility Termination Date and (ii) the date on which all amounts required to be paid to the Purchaser Agents, each Purchaser, the Administrator and any other Indemnified Party or Affected Person hereunder shall have been paid in full.

After such termination, if WESCO or an Affiliate thereof was not the Servicer on the date of such termination, the Servicer shall promptly deliver to the Seller all books, records and related materials that the Seller previously provided to the Servicer, or that have been obtained by the Servicer, in connection with this Agreement.

Section 4.3. Lock-Box Account Arrangements. Prior to the date hereof, the Seller has entered into Lock-Box Agreements with all of the Lock-Box Banks and delivered original counterparts of each to the Administrator and each Purchaser Agent. Upon the occurrence of a Termination Event or WESCO ceasing to have a rating of at least "B-" by Standard & Poor's on its corporate credit rating, the Administrator may (with the consent of a Simple Majority of the Purchasers) or shall (upon the direction of a Simple Majority of the



Purchasers) at any time thereafter give notice to each Lock-Box Bank that the Administrator is exercising its rights under the Lock-Box Agreements to do any or all of the following: (a) to have the exclusive ownership and control of the Lock-Box Accounts transferred to the Administrator (for the benefit of the Purchasers) and to exercise exclusive dominion and control over the funds deposited therein, (b) to have the proceeds that are sent to the respective Lock-Box Accounts redirected pursuant to the Administrator's instructions rather than deposited in the applicable Lock-Box Account, and (c) to take any or all other actions permitted under the applicable Lock-Box Agreement. The Seller hereby agrees that if the Administrator at any time takes any action set forth in the preceding sentence, the Administrator shall have exclusive control (for the benefit of the Purchasers) of the proceeds (including Collections) of all Pool Receivables and the Seller hereby further agrees to take any other action that the Administrator or any Purchaser Agent may reasonably request to transfer such control. Any proceeds of Pool Receivables received by the Seller or the Servicer thereafter shall be sent immediately to the Administrator. The parties hereto hereby acknowledge that if at any time the Administrator takes control of any Lock-Box Account, the Administrator shall not have any rights to the funds therein in excess of the unpaid amounts due to the Administrator, the Purchaser Groups, any Indemnified Party or any other Person hereunder, and the Administrator shall distribute or cause to be distributed such funds in accordance with Section 4.2(b) and Article I (in each case as if such funds were held by the Servicer thereunder).

#### Section 4.4. Enforcement Rights.

(a) At any time following the occurrence of a Termination Event:

(i) the Administrator may (with the consent or at the direction of a Simple Majority of the Purchasers) direct the Obligors that payment of all amounts payable under any Pool Receivable is to be made directly to the Administrator or its designee,

(ii) the Administrator may (with the consent or at the direction of a Simple Majority of the Purchasers) instruct the Seller or the Servicer to give notice of the Purchaser Groups' interest in Pool Receivables to each Obligor, which notice shall direct that payments be made directly to the Administrator or its designee (on behalf of such Purchaser Groups), and the Seller or the Servicer, as the case may be, shall give such notice at the expense of the Seller or the Servicer, as the case may be; provided, that if the Seller or the Servicer, as the case may be, fails to so notify each Obligor, the Administrator (at the Seller's or the Servicer's, as the case may be, expense) may so notify the Obligors, and

(iii) the Administrator may (with the consent or at the direction of a Simple Majority of the Purchasers) request the Servicer to, and upon such request the Servicer shall: (A) assemble all of the records necessary or desirable to collect the Pool Receivables and the Related Security, and transfer or license to a successor Servicer the use of all software necessary or desirable to collect the Pool Receivables and the Related Security, and make the same available to the Administrator or its designee (for the benefit of the Purchasers) at a place selected by the Administrator, and (B) segregate all cash, checks and other instruments received by it from time to time constituting Collections in a manner acceptable to the Administrator and, promptly upon receipt, remit all such cash,

checks and instruments, duly endorsed or with duly executed instruments of transfer, to the Administrator or its designee.

(b) The Seller hereby authorizes the Administrator (on behalf of each Purchaser Group), and irrevocably appoints the Administrator as its attorney-in-fact with full power of substitution and with full authority in the place and stead of the Seller, which appointment is coupled with an interest, to take any and all steps in the name of the Seller and on behalf of the Seller necessary or desirable, in the determination of the Administrator, after the occurrence of a Termination Event, to collect any and all amounts or portions thereof due under any and all Pool Assets, including endorsing the name of the Seller on checks and other instruments representing Collections and enforcing such Pool Assets. Notwithstanding anything to the contrary contained in this subsection, none of the powers conferred upon such attorney-in-fact pursuant to the preceding sentence shall subject such attorney-in-fact to any liability if any action taken by it shall prove to be inadequate or invalid, nor shall they confer any obligations upon such attorney-in-fact in any manner whatsoever.

#### Section 4.5. Responsibilities of the Seller.

(a) Anything herein to the contrary notwithstanding, the Seller shall: (i) perform all of its obligations, if any, under the Contracts related to the Pool Receivables to the same extent as if interests in such Pool Receivables had not been transferred hereunder, and the exercise by the Administrator, the Purchaser Agents or the Purchasers of their respective rights hereunder shall not relieve the Seller from such obligations, and (ii) pay when due any taxes, including any sales taxes payable in connection with the Pool Receivables and their creation and satisfaction. The Administrator, the Purchaser Agents or any of the Purchasers shall not have any obligation or liability with respect to any Pool Asset, nor shall any of them be obligated to perform any of the obligations of the Seller, Servicer, WESCO or the Originators thereunder.

(b) WESCO hereby irrevocably agrees that if at any time it shall cease to be the Servicer hereunder, it shall act (if the then-current Servicer so requests) as the data-processing agent of the Servicer and, in such capacity, WESCO shall conduct the data-processing functions of the administration of the Receivables and the Collections thereon in substantially the same way that WESCO conducted such data-processing functions while it acted as the Servicer.

#### Section 4.6. Servicing Fee.

(a) Subject to clause (b), the Servicer shall be paid a fee (the "Servicing Fee") equal to 1.0% per annum of the daily average aggregate Outstanding Balance of the Pool Receivables. The aggregate of each Purchaser Group's Ratable Share of such fee shall be paid through the distributions contemplated by Section 1.4(d), and the Seller's Share of such fee shall be paid by the Seller.

(b) If the Servicer ceases to be WESCO or an Affiliate thereof, the servicing fee shall be the greater of: (i) the amount calculated pursuant to clause (a), and (ii) an alternative amount specified by the successor Servicer not to exceed 110% of the aggregate reasonable costs

and expenses incurred by such successor Servicer in connection with the performance of its obligations as Servicer.

ARTICLE V.  
THE AGENTS

Section 5.1. Appointment and Authorization.

(a) Each Purchaser and Purchaser Agent hereby irrevocably designates and appoints Wachovia Securities, Inc. as the "Administrator" hereunder and authorizes the Administrator to take such actions and to exercise such powers as are delegated to the Administrator hereby and to exercise such other powers as are reasonably incidental thereto. The Administrator shall hold, in its name, for the benefit of each Purchaser, ratably, the Purchased Interest. The Administrator shall not have any duties other than those expressly set forth herein or any fiduciary relationship with any Purchaser or Purchaser Agent, and no implied obligations or liabilities shall be read into this Agreement, or otherwise exist, against the Administrator. The Administrator does not assume, nor shall it be deemed to have assumed, any obligation to, or relationship of trust or agency with, the Seller or Servicer. Notwithstanding any provision of this Agreement or any other Transaction Document to the contrary, in no event shall the Administrator ever be required to take any action which exposes the Administrator to personal liability or which is contrary to the provision of any Transaction Document or applicable law.

(b) Each Purchaser hereby irrevocably designates and appoints the respective institution identified as the Purchaser Agent for such Purchaser's Purchaser Group on the signature pages hereto or in the Assumption Agreement or Transfer Supplement pursuant to which such Purchaser becomes a party hereto, and each authorizes such Purchaser Agent to take such action on its behalf under the provisions of this Agreement and to exercise such powers and perform such duties as are expressly delegated to such Purchaser Agent by the terms of this Agreement, if any, together with such other powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary elsewhere in this Agreement, no Purchaser Agent shall have any duties or responsibilities, except those expressly set forth herein, or any fiduciary relationship with any Purchaser or other Purchaser Agent or the Administrator, and no implied covenants, functions, responsibilities, duties, obligations or liabilities on the part of such Purchaser Agent shall be read into this Agreement or otherwise exist against such Purchaser Agent.

(c) Except as otherwise specifically provided in this Agreement, the provisions of this Article V are solely for the benefit of the Purchaser Agents, the Administrator and the Purchasers, and none of the Seller or Servicer shall have any rights as a third-party beneficiary or otherwise under any of the provisions of this Article V, except that this Article V shall not affect any obligations which any Purchaser Agent, the Administrator or any Purchaser may have to the Seller or the Servicer under the other provisions of this Agreement. Furthermore, no Purchaser shall have any rights as a third-party beneficiary or otherwise under any of the provisions hereof in respect of a Purchaser Agent which is not the Purchaser Agent for such Purchaser.

(d) In performing its functions and duties hereunder, the Administrator shall act solely as the agent of the Purchasers and the Purchaser Agents and does not assume nor shall be deemed to have assumed any obligation or relationship of trust or agency with or for the Seller or Servicer or any of their successors and assigns. In performing its functions and duties hereunder, each Purchaser Agent shall act solely as the agent of its respective Purchaser and does not assume nor shall be deemed to have assumed any obligation or relationship of trust or agency with or for the Seller, the Servicer, any other Purchaser, any other Purchaser Agent or the Administrator, or any of their respective successors and assigns.

Section 5.2. Delegation of Duties. The Administrator may execute any of its duties through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. The Administrator shall not be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

Section 5.3. Exculpatory Provisions. None of the Purchaser Agents, the Administrator or any of their directors, officers, agents or employees shall be liable for any action taken or omitted (i) with the consent or at the direction of the Majority Purchasers (or in the case of any Purchaser Agent, the Purchasers within its Purchaser Group that have a majority of the aggregate Commitment of such Purchaser Group) or (ii) in the absence of such Person's gross negligence or willful misconduct. The Administrator shall not be responsible to any Purchaser, Purchaser Agent or other Person for (i) any recitals, representations, warranties or other statements made by the Seller, Servicer, or any of their Affiliates, (ii) the value, validity, effectiveness, genuineness, enforceability or sufficiency of any Transaction Document, (iii) any failure of the Seller, any Originator or any of their Affiliates to perform any obligation or (iv) the satisfaction of any condition specified in Exhibit II. The Administrator shall not have any obligation to any Purchaser or Purchaser Agent to ascertain or inquire about the observance or performance of any agreement contained in any Transaction Document or to inspect the properties, books or records of the Seller, Servicer, Originator or any of their Affiliates.

Section 5.4. Reliance by Agents. Each Purchaser Agent and the Administrator shall in all cases be entitled to rely, and shall be fully protected in relying, upon any document or other writing or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person and upon advice and statements of legal counsel (including counsel to the Seller), independent accountants and other experts selected by the Administrator. Each Purchaser Agent and the Administrator shall in all cases be fully justified in failing or refusing to take any action under any Transaction Document unless it shall first receive such advice or concurrence of the Majority Purchasers (or in the case of any Purchaser Agent, the Purchasers within its Purchaser Group that have a majority of the aggregate Commitment of such Purchaser Group), and assurance of its indemnification, as it deems appropriate.

(a) The Administrator shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement in accordance with a request of the Majority Purchasers or the Purchaser Agents, and such request and any action taken or failure to act pursuant thereto shall be binding upon all Purchasers, the Administrator and Purchaser Agents.

(b) The Purchasers within each Purchaser Group with a majority of the Commitment of such Purchaser Group shall be entitled to request or direct the related Purchaser

Agent to take action, or refrain from taking action, under this Agreement on behalf of such Purchasers. Such Purchaser Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement in accordance with a request of such Purchasers with such majority, and such request and any action taken or failure to act pursuant thereto shall be binding upon all of such Purchaser Agent's Purchasers.

(c) Unless otherwise advised in writing by a Purchaser Agent or by any Purchaser on whose behalf such Purchaser Agent is purportedly acting, each party to this Agreement may assume that (i) such Purchaser Agent is acting for the benefit of each of the Purchasers in respect of which such Purchaser Agent is identified as being the "Purchaser Agent" in the definition of "Purchaser Agent" hereto, as well as for the benefit of each assignee or other transferee from any such Person, and (ii) each action taken by such Purchaser Agent has been duly authorized and approved by all necessary action on the part of the Purchasers on whose behalf it is purportedly acting. Each Purchaser Agent and its Purchaser(s) shall agree amongst themselves as to the circumstances and procedures for removal, resignation and replacement of such Purchaser Agent.

Section 5.5. [Intentionally Omitted].

Section 5.6. Notice of Termination Events. Neither any Purchaser Agent nor the Administrator shall be deemed to have knowledge or notice of the occurrence of any Termination Event or Unmatured Termination Event unless such Administrator has received notice from any Purchaser, Purchaser Agent, the Servicer or the Seller stating that a Termination Event or Unmatured Termination Event has occurred hereunder and describing such Termination Event or Unmatured Termination Event. In the event that the Administrator receives such a notice, it shall promptly give notice thereof to each Purchaser Agent whereupon each such Purchaser Agent shall promptly give notice thereof to its Purchasers. In the event that a Purchaser Agent receives such a notice (other than from the Administrator), it shall promptly give notice thereof to the Administrator. The Administrator shall take such action concerning a Termination Event or Unmatured Termination Event as may be directed by the Majority Purchasers unless such action otherwise requires the consent of all Purchasers), but until the Administrator receives such directions, the Administrator may (but shall not be obligated to) take such action, or refrain from taking such action, as the Administrator deems advisable and in the best interests of the Purchasers and Purchaser Agents.

Section 5.7. Non-Reliance on Administrator, Purchaser Agents and Other Purchasers. Each Purchaser expressly acknowledges that none of the Administrator, the Purchaser Agents nor any of their respective officers, directors, employees, agents, attorneys-in-fact or Affiliates has made any representations or warranties to it and that no act by the Administrator, or any Purchaser Agent hereafter taken, including any review of the affairs of the Seller, WESCO, Servicer or any Originator, shall be deemed to constitute any representation or warranty by the Administrator or such Purchaser Agent, as applicable. Each Purchaser represents and warrants to the Administrator and the Purchaser Agents that, independently and without reliance upon the Administrator, Purchaser Agents or any other Purchaser and based on such documents and information as it has deemed appropriate, it has made and will continue to make its own appraisal of and investigation into the business, operations, property, prospects, financial and other conditions and creditworthiness of the Seller, WESCO, Servicer or the Originators, and the

Receivables and its own decision to enter into this Agreement and to take, or omit, action under any Transaction Document. Except for items specifically required to be delivered hereunder, the Administrator shall not have any duty or responsibility to provide any Purchaser Agent with any information concerning the Seller, WESCO, Servicer or the Originators or any of their Affiliates that comes into the possession of the Administrator or any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates.

Section 5.8. Administrators and Affiliates. Each of the Purchasers and the Administrator and their Affiliates may extend credit to, accept deposits from and generally engage in any kind of banking, trust, debt, entity or other business with the Seller, WESCO, Servicer or any Originator or any of their Affiliates and Wachovia Securities, Inc. may exercise or refrain from exercising its rights and powers as if it were not the Administrator. With respect to the acquisition of the Eligible Receivables pursuant to this Agreement, each of the Purchaser Agents and the Administrator shall have the same rights and powers under this Agreement as any Purchaser and may exercise the same as though it were not such an agent, and the terms "Purchaser" and "Purchasers" shall include each of the Purchaser Agents and the Administrator in their individual capacities.

Section 5.9. Indemnification. Each Purchaser Group shall indemnify and hold harmless the Administrator (but solely in its capacity as Administrator) and its officers, directors, employees, representatives and agents (to the extent not reimbursed by the Seller, WESCO or Servicer and without limiting the obligation of the Seller, WESCO or Servicer to do so), ratably in accordance with its Ratable Share from and against any and all liabilities, obligations, losses, damages, penalties, judgments, settlements, costs, expenses and disbursements of any kind whatsoever (including in connection with any investigative or threatened proceeding, whether or not the Administrator or such Person shall be designated a party thereto) that may at any time be imposed on, incurred by or asserted against the Administrator or such Person as a result of, or related to, any of the transactions contemplated by the Transaction Documents or the execution, delivery or performance of the Transaction Documents or any other document furnished in connection therewith (but excluding any such liabilities, obligations, losses, damages, penalties, judgments, settlements, costs, expenses or disbursements resulting solely from the gross negligence or willful misconduct of the Administrator or such Person as finally determined by a court of competent jurisdiction); provided, that in the case of each Purchaser that is a commercial paper conduit, such indemnity shall be provided solely to the extent of amounts received by such Purchaser under this Agreement which exceed the amounts required to repay such Purchaser's outstanding Notes. Notwithstanding anything in this Section 5.9 to the contrary, each of the Administrator, each Purchaser Agent and each Purchaser hereby covenants and agrees that it shall not institute against, or join any other Person in instituting against, any Conduit Purchaser any bankruptcy, reorganization, arrangement, insolvency or liquidation proceeding or other proceedings under any federal or state bankruptcy or similar law, for one year and a day after the latest maturing Note issued by such Conduit Purchaser is paid in full.

Section 5.10. Successor Administrator. The Administrator may, upon at least five (5) days notice to the Seller and each Purchaser and Purchaser Agent, resign as Administrator. Such resignation shall not become effective until a successor agent is appointed by the Majority Purchasers and has accepted such appointment. Upon such acceptance of its appointment as Administrator hereunder by a successor Administrator, such successor Administrator shall

succeed to and become vested with all the rights and duties of the retiring Administrator, and the retiring Administrator shall be discharged from its duties and obligations under the Transaction Documents. After any retiring Administrator's resignation hereunder, the provisions of Sections 3.1 and 3.2 and this Article V shall inure to its benefit as to any actions taken or omitted to be taken by it while it was the Administrator.

ARTICLE VI.  
MISCELLANEOUS

Section 6.1. Amendments, Etc. No amendment or waiver of any provision of this Agreement or any other Transaction Document, or consent to any departure by the Seller or the Servicer therefrom, shall be effective unless in a writing signed by the Administrator and each of the Majority Purchasers, and, in the case of any amendment, by the other parties thereto; and then such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that to the extent required by the commercial paper program of any Conduit Purchaser, no such material amendment shall be effective until both Moody's and Standard & Poor's have notified the Servicer and the Administrator in writing that such action will not result in a reduction or withdrawal of the rating of any Notes; provided, further that no such amendment or waiver shall, without the consent of each affected Purchaser, (A) extend the date of any payment or deposit of Collections by the Seller or the Servicer, (B) reduce the rate or extend the time of payment of Discount, (C) reduce any fees payable to the Administrator, any Purchaser Agent or any Purchaser pursuant to the applicable Purchaser Group Fee Letter, (D) change the amount of Investment of any Purchaser, any Purchaser's pro rata share of the Purchased Interest or any Related Committed Purchaser's Commitment, (E) amend, modify or waive any provision of the definition of "Majority Purchaser" or this Section 6.1, (F) consent to or permit the assignment or transfer by the Seller of any of its rights and obligations under this Agreement, (G) change the definition of "Eligible Receivable," "Loss Reserve," "Loss Reserve Percentage," "Dilution Reserve," "Dilution Reserve Percentage" or "Termination Event", (H) amend or modify any defined term (or any defined term used directly or indirectly in such defined term) used in clauses (A) through (G) above in a manner that would circumvent the intention of the restrictions set forth in such clauses, or (I) otherwise materially and adversely affect the rights of any such Purchaser hereunder; provided, further, that no such amendment or waiver shall, without the consent of each Purchaser, change the definition of "Group A Required Reserve Percentage" (or any defined term used to calculate the Group A Required Reserve Percentage) so as to effectuate a decrease in the Group A Required Reserve Percentage. Notwithstanding anything herein to the contrary, no amendment, assignment or increase shall without the consent of all Purchasers become effective if such amendment, assignment or increase would cause the aggregate of the Commitments of the Purchasers that are not Group A Purchasers to become more than \$200,000,000, unless the Purchasers that are not Group A Purchasers have an aggregate Commitment that is at least 50% of the aggregate Commitment of all Purchasers. No failure on the part of the Purchasers or the Administrator to exercise, and no delay in exercising any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right.

Section 6.2. Notices, Etc. All notices and other communications hereunder shall, unless otherwise stated herein, be in writing (which shall include facsimile communication) and

be sent or delivered to each party hereto at its address set forth under its name on the signature pages hereof (or in any Assumption Agreement pursuant to which it became a party hereto) or at such other address as shall be designated by such party in a written notice to the other parties hereto. Notices and communications by facsimile shall be effective when sent (and shall be followed by hard copy sent by first class mail), and notices and communications sent by other means shall be effective when received.

Section 6.3. Successors and Assigns; Participations; Assignments.

(a) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Except as otherwise provided herein, the Seller may not assign or transfer any of its rights or delegate any of its duties hereunder or under any Transaction Document without the prior consent of the Administrator, the Purchaser Agents and the Purchasers.

(b) Participations. Any Purchaser may sell to one or more Persons (each a "Participant") participating interests in the interests of such Purchaser hereunder; provided, however, that no Purchaser shall grant any participation under which the Participant shall have rights to approve any amendment to or waiver of this Agreement or any other Transaction Document. Such Purchaser shall remain solely responsible for performing its obligations hereunder, and the Seller, each Purchaser Agent and the Administrator shall continue to deal solely and directly with such Purchaser in connection with such Purchaser's rights and obligations hereunder. A Purchaser shall not agree with a Participant to restrict such Purchaser's right to agree to any amendment hereto, except amendments that require the consent of all Purchasers.

(c) Assignments by Certain Related Committed Purchasers. Any Related Committed Purchaser may assign to one or more Persons (each a "Purchasing Related Committed Purchaser"), reasonably acceptable to the related Purchaser Agent in its sole discretion, any portion of its Commitment pursuant to a supplement hereto, substantially in the form of Annex E with any changes as have been approved by the parties thereto (a "Transfer Supplement"), executed by each such Purchasing Related Committed Purchaser, such selling Related Committed Purchaser, such related Purchaser Agent. Any such assignment by Related Committed Purchaser cannot be for an amount less than \$25,000,000. Upon (i) the execution of the Transfer Supplement, (ii) delivery of an executed copy thereof to the Seller, such related Purchaser Agent and the Administrator and (iii) payment by the Purchasing Related Committed Purchaser to the selling Related Committed Purchaser of the agreed purchase price, such selling Related Committed Purchaser shall be released from its obligations hereunder to the extent of such assignment and such Purchasing Related Committed Purchaser shall for all purposes be a Related Committed Purchaser party hereto and shall have all the rights and obligations of a Related Committed Purchaser hereunder to the same extent as if it were an original party hereto. The amount of the Commitment of the selling Related Committed Purchaser allocable to such Purchasing Related Committed Purchaser shall be equal to the amount of the Commitment of the selling Related Committed Purchaser transferred regardless of the purchase price paid therefor. The Transfer Supplement shall be an amendment hereof only to the extent necessary to reflect the addition of such Purchasing Related Committed Purchaser as a "Related Committed



Purchaser" and any resulting adjustment of the selling Related Committed Purchaser's Commitment.

(d) Replaceable Related Committed Purchaser. If any Related Committed Purchaser (a "Replaceable Related Committed Purchaser") shall (i) petition the Seller for any amounts under Section 1.7 or 1.8 or (ii) cease to have a short-term debt rating of "A-1" by Standard & Poor's and "P-1" by Moody's (if such a rating is required by the related Purchaser's securitization program), the related Purchaser Agent may designate a replacement financial institution (a "Replacement Related Committed Purchaser"), to which such Replaceable Related Committed Purchaser shall, subject to its receipt of an amount equal to the aggregate outstanding principal balance of its Investment and accrued and unpaid Discount thereon (and, if applicable, its receipt (unless a later date for the remittance thereof shall be agreed upon by the Seller and such Replaceable Related Committed Purchaser) of all amounts claimed under Section 1.7 and/or 1.8) promptly assign all of its rights, obligations and Commitment hereunder, together with all of its right, title and interest in, to and under the Purchased Interest allocable to it, to the Replacement Related Committed Purchaser in accordance with Section 6.3(c), above. Once such assignment becomes effective, the Replacement Related Committed Purchaser shall be deemed to be a "Related Committed Purchaser" for all purposes hereof and such Replaceable Related Committed Purchaser shall cease to be "Related Committed Purchaser" for all purposes hereof and shall have no further rights or obligations hereunder.

(e) Assignment by Conduit Purchasers. Each party hereto agrees and consents (i) to any Conduit Purchaser's assignment, participation, grant of security interests in or other transfers of any portion of, or any of its beneficial interest in, the Purchased Interest (or portion thereof), including without limitation to any collateral agent in connection with its commercial paper program and (ii) to the complete assignment by any Conduit Purchaser of all of its rights and obligations hereunder to any other Person, and upon such assignment such Conduit Purchaser shall be released from all obligations and duties, if any, hereunder; provided, however, that such Conduit Purchaser may not, without the prior consent of its Related Committed Purchasers, make any such transfer of its rights hereunder unless the assignee (i) is principally engaged in the purchase of assets similar to the assets being purchased hereunder, (ii) has as its Purchaser Agent the Purchaser Agent of the assigning Conduit Purchaser and (iii) issues commercial paper or other Notes with credit ratings substantially comparable to the ratings of the assigning Conduit Purchaser. Any assigning Conduit Purchaser shall deliver to any assignee a supplement hereto, substantially in the form of Annex D with any changes as have been approved by the parties thereto (also, a "Transfer Supplement"), duly executed by such Conduit Purchaser, assigning any portion of its interest in the Purchased Interest to its assignee. Such Conduit Purchaser shall promptly (i) notify each of the other parties hereto of such assignment and (ii) take all further action that the assignee reasonably requests in order to evidence the assignee's right, title and interest in such interest in the Purchased Interest and to enable the assignee to exercise or enforce any rights of such Conduit Purchaser hereunder. Upon the assignment of any portion of its interest in the Purchased Interest, the assignee shall have all of the rights hereunder with respect to such interest (except that the Discount therefor shall thereafter accrue at the rate, determined with respect to the assigning Conduit Purchaser unless the Seller, the related Purchaser Agent and the assignee shall have agreed upon a different Discount).

(f) Opinions of Counsel. If required by the Administrator or the applicable Purchaser Agent or to maintain the ratings of any Conduit Purchaser, each Transfer Supplement must be accompanied by an opinion of counsel of the assignee as to such matters as the Administrator or such Purchaser Agent may reasonably request.

Section 6.4. Costs, Expenses and Taxes. In addition to the rights of indemnification granted under Section 3.1, the Seller agrees to pay on demand (which demand shall be accompanied by documentation thereof in reasonable detail) all reasonable costs and expenses in connection with the preparation, execution, delivery and administration (including periodic internal audits by the Administrator of Pool Receivables) of this Agreement, the other Transaction Documents and the other documents and agreements to be delivered hereunder (and all reasonable costs and expenses in connection with any amendment, waiver or modification of any thereof), including: (i) Attorney Costs for the Administrator, each Purchaser Group and their respective Affiliates and agents with respect thereto and with respect to advising the Administrator, each Purchaser Group and their respective Affiliates and agents as to their rights and remedies under this Agreement and the other Transaction Documents, and (ii) all reasonable costs and expenses (including Attorney Costs), if any, of the Administrator, each Purchaser Group and their respective Affiliates and agents in connection with the enforcement of this Agreement and the other Transaction Documents.

(a) In addition, the Seller shall pay on demand any and all stamp and other taxes and fees payable in connection with the execution, delivery, filing and recording of this Agreement or the other documents or agreements to be delivered hereunder, and agrees to save each Indemnified Party harmless from and against any liabilities with respect to or resulting from any delay in paying or omission to pay such taxes and fees.

Section 6.5. No Proceedings; Limitation on Payments. Each of the Seller, WESCO, the Servicer, the Administrator, the Purchaser Agents, the Purchasers, each assignee of the Purchased Interest or any interest therein, and each Person that enters into a commitment to purchase the Purchased Interest or interests therein, hereby covenants and agrees that it will not institute against, or join any other Person in instituting against, any Conduit Purchaser any bankruptcy, reorganization, arrangement, insolvency or liquidation proceeding, or other proceeding under any federal or state bankruptcy or similar law, for one year and one day after the latest maturing Note issued by such Conduit Purchaser is paid in full. The provision of this Section 6.5 shall survive any termination of this Agreement.

#### Section 6.6. GOVERNING LAW AND JURISDICTION.

(a) THIS AGREEMENT SHALL BE DEEMED TO BE A CONTRACT MADE UNDER AND GOVERNED BY THE INTERNAL LAWS OF THE STATE OF NEW YORK (INCLUDING FOR SUCH PURPOSE SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK) EXCEPT TO THE EXTENT THAT THE VALIDITY OR PERFECTION OF A SECURITY INTEREST OR REMEDIES HEREUNDER, IN RESPECT OF ANY PARTICULAR COLLATERAL ARE GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK.

(b) ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT MAY BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK OR OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK; AND, BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH OF THE PARTIES HERETO CONSENTS, FOR ITSELF AND IN RESPECT OF ITS PROPERTY, TO THE NON-EXCLUSIVE JURISDICTION OF THOSE COURTS. EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES, TO THE MAXIMUM EXTENT PERMITTED BY LAW, ANY OBJECTION, INCLUDING ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS, THAT IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY ACTION OR PROCEEDING IN SUCH JURISDICTION IN RESPECT OF THIS AGREEMENT OR ANY DOCUMENT RELATED HERETO. EACH OF THE PARTIES HERETO WAIVES PERSONAL SERVICE OF ANY SUMMONS, COMPLAINT OR OTHER PROCESS, WHICH SERVICE MAY BE MADE BY ANY OTHER MEANS PERMITTED BY NEW YORK LAW.

Section 6.7. Execution in Counterparts. This Agreement may be executed in a number of counterparts, each of which, when so executed, shall be deemed to be an original, and all of which, when taken together, shall constitute one and the same agreement.

Section 6.8. Survival of Termination. The provisions of Sections 1.7, 1.8, 3.1, 3.2, 6.4, 6.5, 6.6, 6.9 and 6.14 shall survive any termination of this Agreement.

Section 6.9. WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO WAIVES THEIR RESPECTIVE RIGHTS TO A TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY IN ANY ACTION, PROCEEDING OR OTHER LITIGATION OF ANY TYPE BROUGHT BY ANY OF THE PARTIES AGAINST ANY OTHER PARTY OR PARTIES, WHETHER WITH RESPECT TO CONTRACT CLAIMS, TORT CLAIMS OR OTHERWISE. EACH OF THE PARTIES HERETO AGREES THAT ANY SUCH CLAIM OR CAUSE OF ACTION SHALL BE TRIED BY A COURT TRIAL WITHOUT A JURY. WITHOUT LIMITING THE FOREGOING, EACH OF THE PARTIES HERETO FURTHER AGREES THAT ITS RESPECTIVE RIGHT TO A TRIAL BY JURY IS WAIVED BY OPERATION OF THIS SECTION AS TO ANY ACTION, COUNTERCLAIM OR OTHER PROCEEDING THAT SEEKS, IN WHOLE OR IN PART, TO CHALLENGE THE VALIDITY OR ENFORCEABILITY OF THIS AGREEMENT OR ANY PROVISION HEREOF. THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT.

Section 6.10. Sharing of Recoveries. Each Purchaser agrees that if it receives any recovery, through set-off, judicial action or otherwise, on any amount payable or recoverable hereunder in a greater proportion than should have been received hereunder or otherwise inconsistent with the provisions hereof, then the recipient of such recovery shall purchase for cash an interest in amounts owing to the other Purchasers (as return of Investment or otherwise), without representation or warranty except for the representation and warranty that such interest is being sold by each such other Purchaser free and clear of any Adverse Claim created or granted by such other Purchaser, in the amount necessary to create proportional participation by the

Purchaser in such recovery. If all or any portion of such amount is thereafter recovered from the recipient, such purchase shall be rescinded and the purchase price restored to the extent of such recovery, but without interest.

Section 6.11. Right of Setoff. During a Termination Event, each Purchaser is hereby authorized (in addition to any other rights it may have) to setoff, appropriate and apply (without presentment, demand, protest or other notice which are hereby expressly waived) any deposits and any other indebtedness held or owing by such Purchaser (including by any branches or agencies of such Purchaser) to, or for the account of, the Seller against amounts owing by the Seller hereunder (even if contingent or unmatured).

Section 6.12. Entire Agreement. This Agreement and the other Transaction Documents embody the entire agreement and understanding between the parties hereto, and supersede all prior or contemporaneous agreements and understandings of such Persons, verbal or written, relating to the subject matter hereof and thereof.

Section 6.13. Headings. The captions and headings of this Agreement and any Exhibit, Schedule or Annex hereto are for convenience of reference only and shall not affect the interpretation hereof or thereof.

Section 6.14. Purchaser Groups' Liabilities. The obligations of each Purchaser Agent and each Purchaser under the Transaction Documents are solely the corporate obligations of such Person. Except with respect to any claim arising out of the willful misconduct or gross negligence of the Administrator, any Purchaser Agent or any Purchaser, no claim may be made by the Seller or the Servicer or any other Person against the Administrator, any Purchaser Agent or any Purchaser or their respective Affiliates, directors, officers, employees, attorneys or agents for any special, indirect, consequential or punitive damages in respect of any claim for breach of contract or any other theory of liability arising out of or related to the transactions contemplated by the Agreement or any other Transaction Document, or any act, omission or event occurring in connection therewith; and each of Seller and Servicer hereby waives, releases, and agrees not to sue upon any claim for any such damages, whether or not accrued and whether or not known or suspected to exist in its favor.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

WESCO RECEIVABLES CORP.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Address:  
225 West Station Square Drive  
Suite 700  
Pittsburgh, PA 15219  
Attention: Treasurer and Corporate Secretary  
Telephone: (412) 454-4220  
Facsimile: (412) 454-2595

WESCO DISTRIBUTION, INC.,  
as Servicer

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Address:  
225 West Station Square Drive  
Suite 700  
Pittsburgh, PA 15219  
Attention: Treasurer and Corporate Secretary  
Telephone: (412) 454-4220  
Facsimile: (412) 454-2595

Second Amended and Restated  
Receivables Purchase Agreement

MARKET STREET FUNDING CORPORATION,  
as a Conduit Purchaser

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Address:  
Market Street Funding Corporation  
c/o AMACAR Group, L.L.C.  
6525 Morrison Blvd., Suite 318  
Charlotte, North Carolina 28211  
Attention: Douglas K. Johnson  
Telephone No.: (704) 365-0569  
Facsimile No.: (704) 365-1362

With a copy to:

PNC Bank, National Association  
One PNC Plaza  
249 Fifth Avenue  
Pittsburgh, Pennsylvania 15222-2707  
Attention: John Smathers  
Telephone No.: (412) 762-6440  
Facsimile No.: (412) 762-9184

PNC BANK, NATIONAL ASSOCIATION,  
as Purchaser Agent for Market Street Funding  
Corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Address:

PNC Bank, National Association  
One PNC Plaza  
249 Fifth Avenue  
Pittsburgh, Pennsylvania 15222-2707  
Attention: John Smathers  
Telephone No.: (412) 762-6440  
Facsimile No.: (412) 762-9184

Second Amended and Restated  
Receivables Purchase Agreement

GENERAL ELECTRIC CAPITAL  
CORPORATION, as a Conduit Purchaser

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Address:  
800 Connecticut Avenue  
Two North  
Norwalk, CT 06854  
Attention: Account Manager-Wesco  
Telephone No.: (203) 852-3600  
Facsimile No.: (203) 852-3660

GENERAL ELECTRIC CAPITAL  
CORPORATION, as Purchaser Agent for General  
Electric Capital Corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Address:  
800 Connecticut Avenue  
Two North  
Norwalk, CT 06854  
Attention: Account Manager-Wesco  
Telephone No.: (203) 852-3600  
Facsimile No.: (203) 852-3660

Second Amended and Restated  
Receivables Purchase Agreement

WACHOVIA SECURITIES, INC.,  
as Administrator

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Address:  
191 Peachtree Street, 22nd Floor  
GA-8047  
Atlanta, Georgia 30303  
Attention: William Rutkowski  
Telephone No.: (404) 332-4421  
Facsimile No.: (404) 332-5152

Second Amended and Restated  
Receivables Purchase Agreement



BLUE RIDGE ASSET FUNDING  
CORPORATION, as a Conduit Purchaser

By: Wachovia Capital Markets, LLC  
as Attorney in Fact

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Address:  
301 South College Street  
Charlotte, North Carolina 28288  
Attention: Doug Wilson  
Telephone No.: (704) 374-2520  
Facsimile No.: (704) 383-9579

With a copy to:

Blue Ridge Asset Funding Corporation  
c/o AMACAR Group, L.L.C.  
6525 Morrison Blvd., Suite 318  
Charlotte, North Carolina 28211  
Attention: Douglas K. Johnson  
Telephone: (704) 365-0569  
Telecopy: (704) 365-1362

WACHOVIA BANK, NATIONAL  
ASSOCIATION, as Purchaser Agent for Blue  
Ridge Asset Funding Corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Address:  
191 Peachtree Street, 22nd Floor  
GA-8047  
Atlanta, Georgia 30303  
Attention: William Rutkowski  
Telephone No.: (404) 332-4421  
Facsimile No.: (404) 332-5152

Second Amended and Restated  
Receivables Purchase Agreement

FIFTH THIRD BANK, as a Conduit Purchaser

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Address:  
38 Fountain Square Plaza  
Cincinnati, Ohio 45263  
Attention: Robert Finley  
Telephone No.: (513) 534-4870  
Facsimile No.: (513) 579-4270

FIFTH THIRD BANK,  
as Purchaser Agent for Fifth Third Bank

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Address:  
38 Fountain Square Plaza  
Cincinnati, Ohio 45263  
Attention: Judy Huls  
Telephone No.: (513) 579-4224  
Facsimile No.: (513) 534-0875

Second Amended and Restated  
Receivables Purchase Agreement

THE RELATED COMMITTED PURCHASERS:

PNC BANK, NATIONAL ASSOCIATION,  
as a Related Committed Purchaser for Market Street  
Funding Corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Address:  
One PNC Plaza  
249 Fifth Avenue  
Pittsburgh, Pennsylvania 15222-2707  
Attention: David Thayer  
Telephone No: (412) 768-1339  
Facsimile No.: (412) 762-9184

Commitment: \$40,000,000  
Scheduled Commitment Termination Date: August  
31, 2004

Second Amended and Restated  
Receivables Purchase Agreement

FIFTH THIRD BANK, as a Related Committed  
Purchaser for Fifth Third Bank

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Address:  
38 Fountain Square Plaza  
Cincinnati, Ohio 45263  
Attention: Robert Finley  
Telephone No.: (513) 534-4870  
Facsimile No.: (513) 579-4270

Commitment: \$60,000,000  
Scheduled Commitment Termination Date: August  
29, 2006

Second Amended and Restated  
Receivables Purchase Agreement

GENERAL ELECTRIC CAPITAL  
CORPORATION, as a Related Committed  
Purchaser for General Electric Capital Corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Address:  
800 Connecticut Avenue  
Two North  
Norwalk, CT 06854  
Attention: Account Manager-Wesco  
Telephone No.: (203) 852-3600  
Facsimile No.: (203) 852-3660

Commitment: \$75,000,000  
Scheduled Commitment Termination Date: August  
29, 2006

Second Amended and Restated  
Receivables Purchase Agreement

WACHOVIA BANK, NATIONAL  
ASSOCIATION, as Related Committed Purchaser  
for Blue Ridge Asset Funding Corporation

By: Wachovia Capital Markets, LLC  
as Attorney in Fact

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Address:  
301 South College Street  
Charlotte, North Carolina 28288  
Attention: Doug Wilson  
Telephone No.: (704) 374-2520  
Facsimile No.: (704) 383-9579

With a copy to:

Blue Ridge Asset Funding Corporation  
c/o AMACAR Group, L.L.C.  
6525 Morrison Blvd., Suite 318  
Charlotte, North Carolina 28211  
Attention: Douglas K. Johnson  
Telephone: (704) 365-0569  
Telecopy: (704) 365-1362

Commitment: \$125,000,000  
Scheduled Commitment Termination Date: August  
31, 2004

Second Amended and Restated  
Receivables Purchase Agreement

EXHIBIT I

DEFINITIONS

As used in the Agreement (including its Exhibits, Schedules and Annexes), the following terms shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined). Unless otherwise indicated, all Section, Annex, Exhibit and Schedule references in this Exhibit are to Sections of and Annexes, Exhibits and Schedules to the Agreement.

"Administrator" has the meaning set forth in the preamble to the Agreement.

"Adverse Claim" means a lien, security interest or other charge or encumbrance, or any other type of preferential arrangement; it being understood that any thereof in favor of the Administrator (for the benefit of the Purchasers ) shall not constitute an Adverse Claim.

"Affected Person" has the meaning set forth in Section 1.7 of the Agreement.

"Affiliate" means, as to any Person: (a) any Person that, directly or indirectly, is in control of, is controlled by or is under common control with such Person, or (b) who is a director or officer: (i) of such Person or (ii) of any Person described in clause (a), except that, in the case of each Conduit Purchaser, Affiliate shall mean the holder of its capital stock. For purposes of this definition, control of a Person shall mean the power, direct or indirect: (x) to vote 25% or more of the securities having ordinary voting power for the election of directors of such Person, or (y) to direct or cause the direction of the management and policies of such Person, in either case whether by ownership of securities, contract, proxy or otherwise.

"Aggregate Discount" at any time, means the sum of the aggregate for each Purchaser of the accrued and unpaid Discount with respect to each such Purchaser's Investment at such time.

"Aggregate Investment" means, at any time, the aggregate of the Investments of each Purchaser at such time.

"Agreement" has the meaning set forth in the preamble to the Agreement.

"Assumption Agreement" means an agreement substantially in the form set forth in Annex D to the Agreement.

"Attorney Costs" means and includes all reasonable fees and disbursements of any law firm or other external counsel, the reasonable allocated cost of internal legal services and all reasonable disbursements of internal counsel.

"Bankruptcy Code" means the United States Bankruptcy Reform Act of 1978 (11 U.S.C. Section 101, et seq.), as amended from time to time.

"Base Rate" means, any Purchaser, for any day (a) a fluctuating interest rate per annum as shall be in effect from time to time, which rate shall be at all times equal to the higher of:

(i) the rate of interest in effect for such day as publicly announced from time to time by such Purchaser's Purchaser Agent as its "prime rate", "base rate" or similarly designate rate and which is used as a general reference point for pricing some loans, which may be priced at, above or below such announced rate, and

(ii) 0.50% per annum above the latest Federal Funds Rate;  
or

(b) such other rate set forth as the "Base Rate" for such Purchaser in its Purchaser Group Fee Letter, or any other document pursuant to which is became a party hereto.

"BBA" means the British Bankers' Association.

"Benefit Plan" means any employee benefit pension plan as defined in Section 3(2) of ERISA in respect of which the Seller, any Originator, WESCO or any ERISA Affiliate is, or at any time during the immediately preceding six years was, an "employer" as defined in Section 3(5) of ERISA.

"Business Day" means any day (other than a Saturday or Sunday) on which: (a) banks are not authorized or required to close in New York City, New York or Pittsburgh, Pennsylvania, and (b) if this definition of "Business Day" is utilized in connection with the Euro-Rate, dealings are carried out in the London interbank market.

"Change in Control" means that WESCO ceases to own, directly or indirectly, (a) 100% of the capital stock of the Seller free and clear of all Adverse Claims or (b) a majority of the capital stock of any Originator free and clear of all Adverse Claims other than the pledges by WESCO to General Electric Capital Corporation, as agent for itself and various lenders pursuant to (i) the Security Agreement dated as of March 19, 2002, among WESCO, General Electric Capital Corporation, as agent, and various other parties and (ii) the Borrower Pledge Agreement dated as of March 19, 2002 between WESCO and General Electric Capital Corporation as agent, as either such agreement may be amended, restated, supplemented or otherwise modified from time to time.

"Closing Date" means September 2, 2003.

"Collections" means, with respect to any Pool Receivable: (a) all funds that are received by any Originator, WESCO, the Seller or the Servicer in payment of any amounts owed in respect of such Receivable (including purchase price, finance charges, interest and all other charges), or applied to amounts owed in respect of such Receivable (including insurance payments and net proceeds of the sale or other disposition of repossessed goods or other collateral or property of the related Obligor or any other Person directly or indirectly liable for the payment of such Pool Receivable and available to be applied thereon), (b) all amounts deemed to have been received pursuant to Section 1.4(e) of the Agreement and (c) all other proceeds of such Pool Receivable.

"Commitment" means, with respect to each Related Committed Purchaser, the maximum amount which such Purchaser is obligated to pay hereunder on account of any Purchase, as set forth below its signature to this Agreement or in the Assumption Agreement or any similar document pursuant to which it became a Purchaser, as such amount may be modified in



connection with any subsequent assignment pursuant to Section 6.3(c) or in connection with a change in the Purchase Limit pursuant to Section 1.1(b).

"Commitment Percentage" means, for each Related Committed Purchaser in a Purchaser Group, such Related Committed Purchaser's Commitment divided by the total of all Commitments of all Related Committed Purchasers in such Purchaser Group.

"Company Note" has the meaning set forth in Section 3.1 of the Sale Agreement.

"Concentration Percentage" means: (a) for any Obligor that is not a Special Obligor, the Normal Concentration Percentage and (b) for any Special Obligor, the "Special Obligor Concentration Percentage", approved in writing by each Purchaser Agent, and set forth as such opposite its name on Annex C to the Agreement; provided, however, that the Administrator may, if the Rating Agency Condition is satisfied and each of the Purchasers has so consented, approve higher Concentration Percentages for selected Obligors (which approved percentage shall become the "Concentration Percentage" applicable to such Obligor).

"Conduit Purchasers" means each commercial paper conduit or other entity that is a party to the Agreement, as a purchaser, or that becomes a party to the Agreement, as a purchaser pursuant to an Assumption Agreement.

"Construction Division" means each of the following branches of WESCO or Wesco Equity Corporation, as applicable: (a) Hicksville, (b) Parsippany, (c) Rochester, (d) Pittsburgh, (e) Las Vegas, (f) Avon Electrical Supply/Liberty Electric, (g) Manuel and (h) Nevada Electric Supply.

"Construction Division Pool Receivable" means each Pool Receivable originated by a branch in the Construction Division of WESCO.

"Contract" means, with respect to any Receivable, any and all contracts, instruments, agreements, leases, invoices, notes or other writings pursuant to which such Receivable arises or that evidence such Receivable or under which an Obligor becomes or is obligated to make payment in respect of such Receivable.

"Core Division" means each of the following branches of WESCO (including WESCO) or Wesco Equity Corporation, as applicable, each of which use the ENDURA System: (a) EESCO-ACE, (b) Diversified Electric, (c) Hamby-Young, (d) IES-Atlanta, (e) Murco, (f) Power Supply, (g) Standard Electric and (h) Statewide Electric; excluding, however, the following branches: (a) Hicksville, (b) Parsippany, (c) Rochester, (d) Pittsburgh, (e) Las Vegas, (f) Fife, (g) M&M Power and (h) New York, Construction Division branches.

"Core Division Pool Receivable" means each Pool Receivable originated by a branch in the Core Division of WESCO.

"CP Rate" means, with respect to any Conduit Purchaser for any Yield Period with respect to any Portion of Investment (a) the per annum rate equivalent to the "weighted average cost" (as defined below) related to the issuance of such Conduit Purchaser's Notes that are allocated, in whole or in part, by it (or by its Purchaser Agent) to fund or maintain such Portion

of Investment (and which may also be allocated in part to the funding of other Portions of Investment hereunder or of other assets of such Conduit Purchaser); provided, however, that if any component of such rate is a discount rate, in calculating the "CP Rate" for such Portion of Investment for such Yield Period, such Conduit Purchaser shall for such component use the rate resulting from converting such discount rate to an interest bearing equivalent rate per annum; provided, further, that notwithstanding anything in the Agreement or the other Transaction Documents to the contrary, the Seller agrees that any amounts payable to the Purchasers in respect of Discount for any Yield Period with respect to any Portion of Investment funded by such Purchaser at the CP Rate shall include an amount equal to the portion of the face amount of the outstanding Notes issued to fund or maintain such Portion of Investment that corresponds to the portion of the proceeds of such Notes that was used to pay the interest component of maturing Notes issued to fund or maintain such Portion of Investment, to the extent that such Purchaser had not received payments of interest in respect of such interest component prior to the maturity date of such maturing Notes (for purposes of the foregoing, the "interest component" of Notes equals the excess of the face amount thereof over the net proceeds received by such Purchaser from the issuance of Notes, except that if such Notes are issued on an interest-bearing basis its "interest component" will equal the amount of interest accruing on such Notes through maturity) (as used in this definition, "weighted average cost" shall consist of (x) the actual interest rate (or discount) paid to purchasers of Conduit Purchaser's Notes, together with the commissions of placement agents and dealers in respect of such Notes, to the extent such commissions are allocated, in whole or in part, to such Notes by such Conduit Purchaser (or by its Purchaser Agent) and (y) any incremental carrying costs incurred with respect to such Conduit Purchaser's Notes maturing on dates other than those on which corresponding funds are received by such Conduit Purchaser), or (b) such other rate set forth as the "CP Rate" for such Conduit Purchaser in its Purchaser Group Fee Letter or any other document pursuant to which it became a party hereto. Notwithstanding the foregoing, the "CP Rate" for any day while a Termination Event exists shall be an interest rate equal to 2% above the Base Rate in effect on such day.

"Credit and Collection Policy" means, as the context may require, those receivables credit and collection policies and practices of each Originator and of WESCO in effect on the date of the Agreement and described in Schedule I to the Agreement, as modified in compliance with the Agreement.

"Cut-off Date" has the meaning set forth in the Sale Agreement.

"Days' Sales Outstanding" means, for any calendar month, an amount computed as of the last day of such calendar month equal to: (a) the average of the Outstanding Balance of all Pool Receivables as of the last day of each of the three most recent calendar months ended on the last day of such calendar month divided by (b)(i) the aggregate credit sales made by the Originators during the three calendar months ended on the last day of such calendar month divided by (ii) 90.

"Debt" means: (a) indebtedness for borrowed money, (b) obligations evidenced by bonds, debentures, notes or other similar instruments, (c) obligations to pay the deferred purchase price of property or services, (d) obligations as lessee under leases that shall have been or should be, in accordance with generally accepted accounting principles, recorded as capital leases, and (e) obligations under direct or indirect guaranties in respect of, and obligations (contingent or

otherwise) to purchase or otherwise acquire, or otherwise to assure a creditor against loss in respect of, indebtedness or obligations of others of the kinds referred to in clauses (a) through (d).

"Default Ratio" means the ratio (expressed as a percentage and rounded to the nearest 1/100 of 1%, with 5/1000th of 1% rounded upward) computed as of the last day of each calendar month by dividing: (a) the aggregate Outstanding Balance of all Pool Receivables that became Defaulted Receivables during such month, by (b) the aggregate credit sales made by the Originators during the month that is five months before such month.

"Defaulted Receivable" means a Receivable:

(a) as to which any payment, or part thereof, remains unpaid for more than 150 days from the original invoice date for such payment, or

(b) without duplication (i) as to which an Event of Bankruptcy shall have occurred with respect to the Obligor thereof or any other Person obligated thereon or owning any Related Security with respect thereto, (ii) that has been written off the Seller's books as uncollectible or (iii) that should have been written off the Seller's books as uncollectible pursuant to the Credit and Collection Policy.

"Delinquency Ratio" means the ratio (expressed as a percentage and rounded to the nearest 1/100 of 1%, with 5/1000th of 1% rounded upward), computed as of the last day of each calendar month by dividing: (a) the aggregate Outstanding Balance of all Pool Receivables that became Delinquent Receivables during such month, by (b) the aggregate Outstanding Balance of all Pool Receivables on such day.

"Delinquent Receivable" means a Receivable (a) as to which any payment, or part thereof, remains unpaid for more than 120 days from the original invoice date for such payment or (b) without duplication, which has been (or consistent with the Credit and Collection Policy, would be) classified as a Delinquent Receivable by the applicable Originator.

"Dilution Ratio" means the ratio (expressed as a percentage and rounded to the nearest 1/100th of 1%, with 5/1000th of 1% rounded upward), computed as of the last day of each calendar month by dividing: (a) the aggregate amount of payments made or owed by the Seller pursuant to Section 1.4(e)(i) of the Agreement during such calendar month by (b) the aggregate credit sales made by all the Originators during the calendar month that is one month prior to such calendar month.

"Dilution Reserve" means, on any day, an amount equal to: (a) the aggregate of the portions of the Investments of all Purchasers set forth in paragraph (a) of the definition thereof at the close of business of the Servicer on such date multiplied by (b) (i) the Dilution Reserve Percentage on such date, divided by (ii) 100% minus the Dilution Reserve Percentage on such date.

"Dilution Reserve Percentage" means on any date, the positive difference, if any, of (i) the most recently determined Dilution Ratio, minus (ii) 6.5%.

"Discount" means with respect to any Purchaser:

(a) for any Portion of Investment for any Yield Period with respect to any Purchaser to the extent such Portion of Investment will be funded by such Purchaser during such Yield Period through the issuance of Notes:

$$\text{CPR} \times \text{I} \times \text{ED}/360$$

(b) for any Portion of Investment for any Yield Period with respect to any Purchaser to the extent such Portion of Investment will not be funded by such Purchaser during such Yield Period through the issuance of Notes:

$$\text{YR} \times \text{I} \times \text{ED}/\text{Year} + \text{TF}$$

where:

YR	=	the "Yield Rate" as defined herein, for such Portion of Investment for such Yield Period with respect to such Purchaser,
I	=	the Investment with respect to such Portion of Investment during such Yield Period with respect to such Purchaser,
CPR	=	the CP Rate for the Portion of Investment for such Yield Period with respect to such Purchaser,
ED	=	the actual number of days during such Yield Period,
Year	=	if such Portion of Investment is funded based upon: (i) the Euro-Rate, 360 days, and (ii) the Base Rate, 365 or 366 days, as applicable, and
TF	=	the Termination Fee, if any, for the Portion of Investment for such Yield Period with respect to such Purchaser;

provided, that no provision of the Agreement shall require the payment or permit the collection of Discount in excess of the maximum permitted by applicable law; and provided further, that Discount for any Portion of Investment shall not be considered paid by any distribution to the extent that at any time all or a portion of such distribution is rescinded or must otherwise be returned for any reason.

"Eligible Receivable" means, at any time, a Pool Receivable:

(a) the Obligor of which is (i) a United States resident; provided, however, if the Obligor of such Receivable is not a resident of the United States, such Receivable shall be deemed to satisfy the requirements of this clause (a)(i) to the extent that the sum of the Outstanding Balance of such Receivables does not exceed the lesser of \$8,000,000 or 2% of the aggregate Outstanding Balance of all other Eligible Receivables at such time, as determined without giving effect to this proviso, (ii) not a government or a governmental subdivision, affiliate or agency; provided, however, if the Obligor of such Receivable is a government or governmental

subdivision, affiliate or agency, such Receivable shall be deemed to satisfy the requirements of this clause (a)(ii) to the extent that the sum of the Outstanding Balance of such Receivables does not exceed 1.00% of the aggregate Outstanding Balance of all other Eligible Receivables at such time, as determined without giving effect to this proviso, (iii) not subject to any action of the type described in paragraph (f) of Exhibit V to the Agreement and (iv) not an Affiliate of WESCO or any Affiliate of WESCO,

(b) that is denominated and payable only in U.S. dollars in the United States,

(c) that does not have a stated maturity which is more than 90 days after the original invoice date of such Receivable, unless a longer stated maturity is approved by and in the sole discretion of the Administrator and all of the Purchasers in writing, prior to the acquisition of such Receivable (or any interest therein),

(d) that arises under a duly authorized Contract for the sale and delivery of goods and services in the ordinary course of an Originator's business,

(e) that arises under a duly authorized Contract that is in full force and effect and that is a legal, valid and binding obligation of the related Obligor, enforceable against such Obligor in accordance with its terms,

(f) that conforms in all material respects with all applicable laws, rulings and regulations in effect,

(g) that is not the subject of any asserted dispute, offset, hold back defense, Adverse Claim or other claim,

(h) that satisfies all applicable requirements of the applicable Credit and Collection Policy,

(i) that has not been modified, waived or restructured since its creation, except as permitted pursuant to Section 4.2 of the Agreement,

(j) in which the Seller owns good and marketable title, free and clear of any Adverse Claims, and that is freely assignable by the Seller (including without any consent of the related Obligor),

(k) for which the Administrator (for the benefit of each Purchaser) shall have a valid and enforceable undivided percentage ownership or security interest, to the extent of the Purchased Interest, and a valid and enforceable first priority perfected security interest therein and in the Related Security and Collections with respect thereto, in each case free and clear of any Adverse Claim,

(l) that constitutes an account as defined in the UCC, and that is not evidenced by instruments or chattel paper,

(m) that is not a Defaulted Receivable,

(n) for which none the Originator thereof, the Seller and the Servicer has established any offset arrangements with the related Obligor,

(o) for which Defaulted Receivables of the related Obligor do not exceed 25% of the Outstanding Balance of all such Obligor's Receivables,

(p) that represents amounts earned and payable by the Obligor that are not subject to the performance of additional services by the Originator thereof, and

(q) if such Receivables was generated by the NED Division, that when added to the aggregate Outstanding Balance of all other Receivables generated by the NED Division, shall not exceed 30% of the aggregate Outstanding Balance of all Eligible Receivables then in the Receivables Pool.

"ENDURA System" means the accounts receivable system maintained at the main operating center of WESCO in Murraysville, Pennsylvania.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and any successor statute of similar import, together with the regulations thereunder, in each case as in effect from time to time. References to sections of ERISA also refer to any successor sections.

"ERISA Affiliate" means: (a) any corporation that is a member of the same controlled group of corporations (within the meaning of Section 414(b) of the Internal Revenue Code) as the Seller, any Originator or WESCO, (b) a trade or business (whether or not incorporated) under common control (within the meaning of Section 414(c) of the Internal Revenue Code) with the Seller, any Originator or WESCO, or (c) a member of the same affiliated service group (within the meaning of Section 414(m) of the Internal Revenue Code) as the Seller, any Originator, any corporation described in clause (a) or any trade or business described in clause (b).

"Euro-Rate" means with respect to any Yield Period, the interest rate per annum determined by the Administrator by dividing (the resulting quotient rounded upwards, if necessary, to the nearest 1/100th of 1% per annum) (i) the rate of interest determined by the applicable Purchaser Agent in accordance with its usual procedures (which determination shall be conclusive absent manifest error) to be the average of the London interbank market offered rates for U.S. dollars quoted by the BBA as set forth on Dow Jones Markets Service (formerly known as Telerate) (or appropriate successor or, if British Bankers' Association or its successor ceases to provide display page 3750 (or such other display page on the Dow Jones Markets Service system as may replace display page 3750) at or about 11:00 a.m. (London time) on the Business Day which is two (2) Business Days prior to the first day of such Yield Period for an amount comparable to the Portion of Investment to be funded at the Yield Rate and based upon the Euro-Rate during such Yield Period by (ii) a number equal to 1.00 minus the Euro-Rate Reserve Percentage. The Euro-Rate may also be expressed by the following formula:

Average of London interbank offered rates quoted by  
BBA as shown on Dow Jones Markets Service display  
page 3750 or appropriate successor

Euro-Rate = -----  
1.00 - Euro-Rate Reserve Percentage

where "Euro-Rate Reserve Percentage" means, the maximum effective percentage in effect on such day as prescribed by the Board of Governors of the Federal Reserve System (or any successor) for determining the reserve requirements (including without limitation, supplemental, marginal, and emergency reserve requirements) with respect to eurocurrency funding (currently referred to as "Eurocurrency Liabilities"). The Euro-Rate shall be adjusted with respect to any Portion of Investment funded at the Yield Rate and based upon the Euro-Rate that is outstanding on the effective date of any change in the Euro-Rate Reserve Percentage as of such effective date. The applicable Purchaser Agent shall give prompt notice to the Seller of the Euro-Rate as determined or adjusted in accordance herewith (which determination shall be conclusive absent manifest error).

"Event of Bankruptcy" means (a) any case, action or proceeding before any court or other governmental authority relating to bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding-up or relief of debtors or (b) any general assignment for the benefit of creditors of a Person or any composition, marshalling of assets for creditors of a Person, or other similar arrangement in respect of its creditors generally or any substantial portion of its creditors; in each of cases (a) and (b) undertaken under U.S. Federal, state or foreign law, including the U.S. Bankruptcy Code.

"Excess Concentration" means the sum of the amounts by which the Outstanding Balance of Eligible Receivables of each Obligor then in the Receivables Pool exceeds an amount equal to: (a) the applicable Concentration Percentage for such Obligor multiplied by (b) the Outstanding Balance of all Eligible Receivables then in the Receivables Pool.

"Excluded Receivable" means any Receivable (without giving effect to the exclusion of "Excluded Receivables" from the definition thereof) (i) owed by an Obligor not a resident of the United States and denominated in a currency other than U.S. dollars, (ii) originated by any of the New York City Branch, the Fife Branch or the Tampa Major Projects Branch, identified on WESCO's system as Branch Nos. 1225, 7147 and 3840, respectively or (iii) originated by any closed branch, as identified on Schedule V.

"Exiting Purchaser" has the meaning set forth in Section 1.4(b)(ii).

"Facility Termination Date" means the earliest to occur of: (a) with respect to any Purchaser, the applicable Scheduled Commitment Termination Date with respect to such Purchaser, subject to any extension thereof pursuant to Section 1.10 of the Agreement (it being understood that if any such Purchaser does not extend its Commitment hereunder then the Purchase Limit shall be reduced ratably with respect to the Purchasers in each Purchaser Group by an amount equal to the Commitment of such Exiting Purchaser and the Commitment Percentages and Group Commitments of the Purchasers within each Purchaser Group shall be

appropriately adjusted), (b) the date determined pursuant to Section 2.2 of the Agreement, (c) the date the Purchase Limit reduces to zero pursuant to Section 1.1(b) of the Agreement, (d) with respect to each Purchaser Group, the date that the commitments of all of the Liquidity Providers terminate under the related Liquidity Agreements and (e) with respect to each Purchaser Group, the date that the commitment, of all of the Related Committed Purchasers of such Purchaser Group terminate pursuant to Section 1.10.

"FASB" has the meaning set forth in Section 1.7(d).

"Federal Funds Rate" means, for any day, the per annum rate set forth in the weekly statistical release designated as H.15(519), or any successor publication, published by the Federal Reserve Board (including any such successor, "H.15(519)") for such day opposite the caption "Federal Funds (Effective)." If on any relevant day such rate is not yet published in H.15(519), the rate for such day will be the rate set forth in the daily statistical release designated as the Composite 3:30 p.m. Quotations for U.S. Government Securities, or any successor publication, published by the Federal Reserve Bank of New York (including any such successor, the "Composite 3:30 p.m. Quotations") for such day under the caption "Federal Funds Effective Rate." If on any relevant day the appropriate rate is not yet published in either H.15(519) or the Composite 3:30 p.m. Quotations, the rate for such day will be the arithmetic mean as determined by the Administrator of the rates for the last transaction in overnight Federal funds arranged before 9:00 a.m. (New York time) on that day by each of three leading brokers of Federal funds transactions in New York City selected by the Administrator.

"Federal Reserve Board" means the Board of Governors of the Federal Reserve System, or any entity succeeding to any of its principal functions.

"Fees" means the fees payable by the Seller to each Purchaser Group pursuant to the applicable Purchaser Group Fee Letter.

"GAAP" means the generally accepted accounting principles and practices in the United States, consistently applied.

"Governmental Authority" means any nation or government, any state or other political subdivision thereof, any central bank (or similar monetary or regulatory authority) thereof, any body or entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any court, and any Person owned or controlled, through stock or capital ownership or otherwise, by any of the foregoing.

"Group A Adjusted Dilution Ratio" means, at any time, the rolling average of the Dilution Ratio for the 12 months then most recently ended.

"Group A Deferred Purchase Price" means, at any time, the positive difference, if any, between: (i) the Group A Required Reserves at such time and (ii) the Total Reserves at such time.

"Group A Dilution Horizon Ratio" means, as of any date of determination, a ratio (expressed as a decimal), computed by dividing (i) the aggregate sales generated by the



Originators during the month ending on such date, by (ii) the Net Receivables Pool Balance as of such date.

"Group A Dilution Reserve" means, on any date, the product (expressed as a percentage) of: (a) the sum of (i) 2 times the Group A Adjusted Dilution Ratio as of the last day of the immediately preceding calendar month, plus (ii) the Group A Dilution Volatility Component as of the last day of the immediately preceding calendar month, times (b) the Group A Dilution Horizon Ratio as of the last day of the immediately preceding calendar month.

"Group A Dilution Volatility Component" means the product (expressed as a percentage) of (i) the difference between (a) the highest three (3)-month rolling average Dilution Ratio over the past 12 months and (b) the Group A Adjusted Dilution Ratio, and (ii) a fraction, the numerator of which is equal to the amount calculated in (i)(a) of this definition and the denominator of which is equal to the amount calculated in (i)(b) of this definition.

"Group A Loss Reserve" means, on any date, the product (expressed as a percentage) of (a) 2.0, times (b) the highest three-month rolling average Default Ratio during: (i) for any month in the first 12 months following December 31, 2002, the period of time equal to the number of months since December 31, 2002 ending on the last day of the calendar month immediately preceding such date, and (ii) on and at all times after the twelfth month following December 31, 2002, the twelve month period ending on the last day of the calendar month immediately preceding such date, times (c) the aggregate credit sales made during the five most recent calendar months.

"Group A Purchaser" means, at any time, each Purchaser listed on Schedule IV to the Agreement, as such schedule may be amended, supplanted or otherwise modified from time to time.

"Group A Ratable Share" means on any date with respect to any Group A Purchaser, a fraction, expressed as a percentage (a) the numerator of which is equal to the portion of the Investment of such Purchaser set forth in paragraph (a) of the definition thereof at such time, and (b) the denominator of which is the aggregate of the portions of the Investment of all Group A Purchasers set forth in paragraph (a) of the definition thereof at such time.

"Group A Required Reserve Factor Floor" means, for any month, the sum (expressed as a percentage) of (a) 11% plus (b) the product of the Group A Adjusted Dilution Ratio and the Group A Dilution Horizon Ratio, in each case, as of the last day of the immediately preceding calendar month.

"Group A Required Reserve Percentage" means, on any day, the greater of (a) the Group A Required Reserve Factor Floor and (b) the sum of the Group A Loss Reserve, the Group A Yield Reserve, the Group A Dilution Reserve and the Group A Servicing Reserve.

"Group A Required Reserves" means, on any day: (I) the product of (a) the aggregate of the portions of the Investments of all Purchasers described in paragraph (a) of the definition thereof, as determined at the close of business of the Servicer on such date, multiplied by (b)(i) the Group A Required Reserves Percentage on such date divided by (ii) 100% minus the Group

A Required Reserve Percentage on such date minus (II) the amount of claims and deductions considered as ineligible Receivables on such day.

"Group A Servicing Reserve" means, for any month, the product (expressed as a percentage) of (a) 1.0%, times (b) a fraction, the numerator of which is the highest Days' Sales Outstanding for the most recent 12 months and the denominator of which is 360.

"Group A Yield Reserve" means, on any date, the product (expressed as a percentage) of (a) 1.5 times (b) the Base Rate as of the last day of the immediately preceding calendar month times (c) a fraction the numerator of which is the highest Days' Sales Outstanding for the most recent the twelve month period ending on the last day of the calendar month immediately preceding such date, and the denominator of which is 360.

"Group Commitment" means with respect to any Purchaser Group the aggregate of the Commitments of each Purchaser within such Purchaser Group.

"Group Investment" means with respect to any Purchaser Group, an amount equal to the aggregate of all Investments of the Purchasers within such Purchaser Group.

"Indemnified Amounts" has the meaning set forth in Section 3.1 of the Agreement.

"Indemnified Party" has the meaning set forth in Section 3.1 of the Agreement.

"Independent Director" has the meaning set forth in paragraph 3(c) of Exhibit IV to the Agreement.

"Information Package" means a report, in substantially the form of Annex A to the Agreement, furnished to the Administrator pursuant to the Agreement.

"Insolvency Proceeding" means: (a) any case, action or proceeding before any court or other Governmental Authority relating to bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding-up or relief of debtors, or (b) any general assignment for the benefit of creditors, composition, marshaling of assets for creditors, or other, similar arrangement in respect of its creditors generally or any substantial portion of its creditors, in each case undertaken under U.S. Federal, state or foreign law, including the Bankruptcy Code.

"Internal Revenue Code" means the Internal Revenue Code of 1986, as amended from time to time, and any successor statute of similar import, together with the regulations thereunder, in each case as in effect from time to time. References to sections of the Internal Revenue Code also refer to any successor sections.

"Investment" means with respect to any Purchaser (a) the amount paid to the Seller by such Purchaser pursuant to the Agreement as reduced from time to time by Collections distributed and applied on account of such Investment pursuant to Section 1.4(d) of the Agreement; provided, that if such Investment shall have been reduced by any distribution and thereafter all or a portion of such distribution is rescinded or must otherwise be returned for any reason, such Investment shall be increased by the amount of such rescinded or returned

distribution as though it had not been made, plus (b) solely in the case of any Group A Purchaser, such Purchaser's Group A Ratable Share of the Group A Deferred Purchase Price at such time.

"ISC" has the meaning set forth in the preamble to the Agreement.

"Liquidity Agent" means each of the banks acting or other Persons as agent for the various Liquidity Banks under each Liquidity Agreement.

"Liquidity Agreement" means any agreement entered into in connection with this Agreement pursuant to which a Liquidity Provider agrees to make purchases or advances to, or purchase assets from, any Conduit Purchaser in order to provide liquidity for such Conduit Purchaser's Purchases.

"Liquidity Provider" means each bank or other financial institution that provides liquidity support to any Conduit Purchaser pursuant to the terms of a Liquidity Agreement.

"Lock-Box Account" means an account maintained at a bank or other financial institution for the purpose of receiving Collections.

"Lock-Box Agreement" means an agreement, among the Seller, the Servicer and a Lock-Box Bank.

"Lock-Box Bank" means any of the banks or other financial institutions holding one or more Lock-Box Accounts.

"Loss Reserve" means, on any date, an amount equal to the greater of: (a) 20%, multiplied by the aggregate of the portions of the Investments of all Purchasers set forth in paragraph (a) of the definition thereof at the close of business of the Servicer on such date and (b) (i) the aggregate of the portions of the Investment of all Purchasers set forth in paragraph (a) of the definition thereof at the close of business of the Servicer on such date multiplied by (ii)(A) the Loss Reserve Percentage on such date divided by (B) 100% minus the Loss Reserve Percentage on such date.

"Loss Reserve Percentage" means, on any date, (i) the product of (A) 2 times the highest average of the Default Ratios for any three consecutive calendar months during the twelve most recent calendar months multiplied by (B) the aggregate credit sales made during the five most recent calendar months divided by (ii) the aggregate Outstanding Balance of Eligible Receivables that are included in the calculation of the Net Receivables Pool Balance as of such date.

"Majority Purchasers" means, at any time, Purchasers whose Commitments aggregate more than 66.67% of the aggregate of the Commitments of all Purchasers; provided, however, that so long as any Purchaser's Commitment is greater than 66.67% of the aggregate Commitments, then "Majority Purchasers" shall mean a minimum of two Purchasers whose Commitments aggregate more than 66.67% of the aggregate Commitments.

"Material Adverse Effect" means, relative to any Person with respect to any event or circumstance, a material adverse effect on:

(a) the assets, operations, business or financial condition of such Person,

(b) the ability of any of such Person to perform its obligations under the Agreement or any other Transaction Document to which it is a party,

(c) the validity or enforceability of any other Transaction Document, or the validity, enforceability or collectibility of a material portion of the Pool Receivables, or

(d) the status, perfection, enforceability or priority of any Purchaser's or the Seller's interest in the Pool Assets.

"Moody's" means Moody's Investors Service, Inc.

"NED Division" means each of the following branches of WESCO or Wesco Equity Corporation, as applicable, for so long as they do not use the ENDURA System: (a) Brown Electric, (b) Bruckner International Group-Houston, (c) Bruckner Supply, (d) Coghlin Electric, (e) IES (Birmingham), (f) Reilly-Tri-City-Ies (Mobile) and (g) Whitehill Electric.

"NED Division Receivable" means each Receivable originated by a branch in the NED Division of WESCO.

"NED Division Pool Receivable" means each Pool Receivable originated by a branch in the NED Division of WESCO.

"Net Receivables Pool Balance" means, at any time: (a) the Outstanding Balance of Eligible Receivables then in the Receivables Pool minus (b) the Excess Concentration.

"Normal Concentration Percentage" means, at any time, 2.0%.

"Notes" means short-term promissory notes issued, or to be issued, by each Conduit Purchaser (or, if applicable, issued by the funding source pursuant to which such Conduit Purchaser finances its Investment hereunder) to fund its investments in accounts receivable or other financial assets.

"Obligor" means, with respect to any Receivable, the Person obligated to make payments pursuant to the Contract relating to such Receivable.

"Originator" has the meaning set forth in the Sale Agreement.

"Originator Assignment Certificate" means each assignment, in substantially the form of Exhibit C to the Sale Agreement, evidencing Seller's ownership of the Receivables generated by Originator, as the same may be amended, supplemented, amended and restated, or otherwise modified from time to time in accordance with the Sale Agreement.

"Outstanding Balance" of any Receivable at any time means the then outstanding principal balance thereof.

"Payment Date" has the meaning set forth in Section 2.1 of the Sale Agreement.

"Person" means an individual, partnership, corporation (including a business trust), joint stock company, trust, unincorporated association, joint venture, limited liability company or other entity, or a government or any political subdivision or agency thereof.

"Pool Assets" has the meaning set forth in Section 1.2(d) of the Agreement.

"Pool Receivable" means a Receivable in the Receivables Pool.

"Portion of Investment" means, with respect to any Purchaser and its related Investment, the portion of such Investment being funded or maintained by such Purchaser by reference to a particular interest rate basis.

"Program Support Agreement" means and includes any Liquidity Agreement and any other agreement entered into by any Program Support Provider providing for: (a) the issuance of one or more letters of credit for the account of any Conduit Purchaser, (b) the issuance of one or more surety bonds for which the such Conduit Purchaser is obligated to reimburse the applicable Program Support Provider for any drawings thereunder, (c) the sale by such Conduit Purchaser to any Program Support Provider of the Purchased Interest (or portions thereof) maintained by such Conduit Purchaser and/or (d) the making of loans and/or other extensions of credit to any Conduit Purchaser in connection with such Conduit Purchaser's securitization program contemplated in the Agreement, together with any letter of credit, surety bond or other instrument issued thereunder (but excluding any discretionary advance facility provided by the Administrator).

"Program Support Provider" means and includes with respect to each Conduit Purchaser any Liquidity Provider and any other Person (other than any customer of such Conduit Purchaser) now or hereafter extending credit or having a commitment to extend credit to or for the account of, or to make purchases from, such Conduit Purchaser pursuant to any Program Support Agreement.

"Purchase" is defined in Section 1.1(a).

"Purchase and Sale Indemnified Amounts" has the meaning set forth in Section 9.1 of the Sale Agreement.

"Purchase and Sale Indemnified Party" has the meaning set forth in Section 9.1 of the Sale Agreement.

"Purchase and Sale Termination Date" has the meaning set forth in Section 1.4 of the Sale Agreement.

"Purchase and Sale Termination Event" has the meaning set forth in Section 8.1 of the Sale Agreement.

"Purchase Date" means the date of which a Purchase or a reinvestment is made pursuant to the Agreement.

"Purchase Facility" has the meaning set forth in Section 1.1 of the Sale Agreement.

"Purchase Limit" means \$300,000,000, as such amount may be reduced pursuant to Section 1.1(b) of the Agreement. References to the unused portion of the Purchase Limit shall mean, at any time, the Purchase Limit minus the then outstanding Aggregate Investment.

"Purchase Price" has the meaning set forth in Section 2.1 of the Sale Agreement.

"Purchase Report" has the meaning set forth in Section 2.1 of the Sale Agreement.

"Purchased Interest" means, at any time, the undivided percentage ownership interest in: (a) each and every Pool Receivable now existing or hereafter arising, (b) all Related Security with respect to such Pool Receivables and (c) all Collections with respect to, and other proceeds of, such Pool Receivables and Related Security. Such undivided percentage interest shall be computed as:

$$\frac{\text{Aggregate Investment} + \text{Total Reserves}}{\text{Net Receivables Pool Balance}}$$

The Purchased Interest shall be determined from time to time pursuant to Section 1.3 of the Agreement.

"Purchaser" means each Conduit Purchaser and/or each Related Committed Purchaser, as applicable.

"Purchaser Agent" means each Person acting as agent on behalf of a Purchaser Group and designated as a Purchaser Agent for such Purchaser Group on the signature pages to the Agreement or any other Person who becomes a party to this Agreement as a Purchaser Agent pursuant to an Assumption Agreement or a Transfer Supplement.

"Purchaser Group" means, for each Conduit Purchaser, such Conduit Purchaser, its Related Committed Purchasers (if any) and its related Purchaser Agent.

"Purchaser Group Fee Letter" has the meaning set forth in Section 1.5 of the Agreement.

"Ratable Share" means, for each Purchaser Group, such Purchaser Group's aggregate Commitments divided by the aggregate Commitments of all Purchaser Groups.

"Rating Agency Condition" means, with respect to any material event or occurrence, receipt by the Administrator (or the applicable Purchaser Agent) of written confirmation from each of Standard & Poor's and Moody's that such event or occurrence shall not cause the rating on the then outstanding Notes of any applicable Purchaser to be downgraded or withdrawn.

"Receivable" means any indebtedness and other obligations (other than Excluded Receivables) owed to the Seller or any Originator by, or any right of the Seller or any Originator to payment from or on behalf of, an Obligor, whether constituting an account, chattel paper, instrument or general intangible, arising in connection with the sale of goods or the rendering of services by an Originator (whether or not earned by performance), and includes the obligation to pay any finance charges, fees and other charges with respect thereto. Indebtedness and other obligations arising from any one transaction, including indebtedness and other obligations

represented by an individual invoice or agreement, shall constitute a Receivable separate from a Receivable consisting of the indebtedness and other obligations arising from any other transaction.

"Receivables Pool" means, at any time, all of the then outstanding Receivables purchased by the Seller pursuant to the Sale Agreement prior to the Facility Termination Date.

"Related Committed Purchaser" means each Person listed as such (and its respective Commitment) for each Conduit Purchaser as set forth on the signature pages of the Agreement or in any Assumption Agreement or Transfer Supplement.

"Related Rights" has the meaning set forth in Section 1.1 of the Sale Agreement.

"Related Security" means, with respect to any Receivable:

(a) all of the Seller's and the Originator thereof's interest in any goods (including returned goods), and documentation of title evidencing the shipment or storage of any goods (including returned goods), relating to any sale giving rise to such Receivable,

(b) all instruments and chattel paper that may evidence such Receivable,

(c) all other security interests or liens and property subject thereto from time to time purporting to secure payment of such Receivable, whether pursuant to the Contract related to such Receivable or otherwise, together with all UCC financing statements or similar filings relating thereto, and

(d) all of the Seller's and the Originator thereof's rights, interests and claims under the Contracts and all guaranties, indemnities, insurance and other agreements (including the related Contract) or arrangements of whatever character from time to time supporting or securing payment of such Receivable or otherwise relating to such Receivable, whether pursuant to the Contract related to such Receivable or otherwise.

"Sale Agreement" means the Purchase and Sale Agreement, dated as of June 30, 1999, among the Seller, the Originators and the Servicer as amended through the date of the Agreement and as such agreement may be amended, amended and restated, supplemented or otherwise modified from time to time.

"Scheduled Commitment Termination Date" means with respect to any Related Committed Purchaser, the date set forth as such below its signature to the Agreement or in any Assumption Agreement or other document pursuant to which such Purchaser became a party hereto.

"Seller" has the meaning set forth in the preamble to the Agreement.

"Seller's Share" of any amount means the greater of: (a) \$0 and (b) such amount minus the product of (i) such amount multiplied by (ii) the Purchased Interest.

"Servicer" has the meaning set forth in the preamble to the Agreement.

"Servicing Fee" shall mean the fee referred to in Section 4.6 of the Agreement.

"Settlement Date" means the 22nd day of each calendar month or if such day is not a Business Day, the next succeeding Business Day.

"Simple Majority" means, at any time, Purchasers whose Commitments aggregate 50% or more of the aggregate of the Commitments of all Purchasers.

"Solvent" means, with respect to any Person at any time, a condition under which:

(i) the fair value and present fair saleable value of such Person's total assets is, on the date of determination, greater than such Person's total liabilities (including contingent and unliquidated liabilities) at such time;

(ii) the fair value and present fair saleable value of such Person's assets is greater than the amount that will be required to pay such Person's probable liability on its existing debts as they become absolute and matured ("debts," for this purpose, includes all legal liabilities, whether matured or unmatured, liquidated or unliquidated, absolute, fixed, or contingent);

(iii) such Person is and shall continue to be able to pay all of its liabilities as such liabilities mature; and

(iv) such Person does not have unreasonably small capital with which to engage in its current and in its anticipated business.

For purposes of this definition:

(A) the amount of a Person's contingent or unliquidated liabilities at any time shall be that amount which, in light of all the facts and circumstances then existing, represents the amount which can reasonably be expected to become an actual or matured liability;

(B) the "fair value" of an asset shall be the amount which may be realized within a reasonable time either through collection or sale of such asset at its regular market value;

(C) the "regular market value" of an asset shall be the amount which a capable and diligent business person could obtain for such asset from an interested buyer who is willing to Purchase such asset under ordinary selling conditions; and

(D) the "present fair saleable value" of an asset means the amount which can be obtained if such asset is sold with reasonable promptness in an arm's-length transaction in an existing and not theoretical market.



"Special Obligor" means an Obligor specifically approved in writing by the Administrator, all of the Purchasers and each of Moody's and Standard & Poor's, as a Special Obligor and set forth on Annex C to the Agreement.

"Standard & Poor's" means Standard & Poor's, a division of The McGraw-Hill Companies, Inc.

"Subsidiary" means, as to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock of each class or other interests having ordinary voting power (other than stock or other interests having such power only by reason of the happening of a contingency) to elect a majority of the Board of Directors or other managers of such entity are at the time owned, or management of which is otherwise controlled: (a) by such Person, (b) by one or more Subsidiaries of such Person or (c) by such Person and one or more Subsidiaries of such Person.

"Tangible Net Worth" means, with respect to any Person, the tangible net worth of such Person as determined in accordance with GAAP.

"Termination Day" means: (a) each day on which the conditions set forth in Section 2 of Exhibit II to the Agreement are not satisfied or (b) each day that occurs on or after the Facility Termination Date.

"Termination Event" has the meaning specified in Exhibit V to the Agreement.

"Termination Fee" means, for any Yield Period, with respect to any Purchaser, the amount, if any, by which: (a) the additional Discount related to such Purchaser's Investment (calculated without taking into account any Termination Fee or any shortened duration of such Yield Period) that would have accrued during such Yield Period on the reductions of Investment relating to such Yield Period had such reductions not been made, exceeds (b) the income, if any, received by such Purchaser from investing the proceeds of such reductions of Investment, as determined by the such Purchaser's Purchaser Agent, which determination shall be binding and conclusive for all purposes, absent manifest error.

"Total Reserves" means, at any time the sum of : (a) the Loss Reserve, plus (b) the Dilution Reserve.

"Transaction Documents" means the Agreement, the Lock-Box Agreements, each Purchaser Group Fee Letter, the Sale Agreement and all other certificates, instruments, UCC financing statements, reports, notices, agreements and documents executed or delivered under or in connection with the Agreement, in each case as the same may be amended, supplemented or otherwise modified from time to time in accordance with the Agreement.

"Transfer Supplement" has the respective meanings set forth in Sections 6.3(c) and 6.3(e).

"UCC" means the Uniform Commercial Code as from time to time in effect in the applicable jurisdiction.

"Unmatured Purchase and Sale Termination Event" means any event which, with the giving of notice or lapse of time, or both, would become a Purchase and Sale Termination Event.

"Unmatured Termination Event" means an event that, with the giving of notice or lapse of time, or both, would constitute a Termination Event.

"WESCO" has the meaning set forth in the preamble to the Agreement.

"Yield Period" means, with respect to each Portion of Investment: (a) before the Facility Termination Date: (i) initially the period commencing on the date of the initial Purchase pursuant to Section 1.2 of the Agreement (or in the case of any fees payable hereunder, commencing on the Closing Date) and ending on (but not including) the next Settlement Date, and (ii) thereafter, each period commencing on such Settlement Date and ending on (but not including) the next Settlement Date, and (b) on and after the Facility Termination Date: such period (including a period of one day) as shall be selected from time to time by the Administrator or, in the absence of any such selection, each period of 30 days from the last day of the preceding Yield Period.

"Yield Rate" for any Yield Period for any Portion of Investment of the Purchased Interest with respect to any Purchaser, means: (a) an interest rate per annum equal to, at such Purchaser's option: (x) the rate, if any, set forth as the "Applicable Margin" in the Purchaser Group Fee Letter relating to such Purchaser above the Euro-Rate for such Yield Period, or (y) the Base Rate for such Yield Period; provided, however, that in the case of:

(i) any Yield Period on or before the first day of which the such Purchaser's Purchaser Agent shall have been notified by any Purchaser or other Program Support Provider that the introduction of or any change in or in the interpretation of any law or regulation makes it unlawful, or any central bank or other Governmental Authority asserts that it is unlawful, for such Person, to fund any Euro-Rate Portion of Investment (and such Person shall not have subsequently notified the such Purchaser Agent that such circumstances no longer exist),

(ii) any Yield Period of one to (and including) 29 days,

(iii) any Yield Period as to which the such Purchaser's Purchaser Agent does not receive notice before noon (New York City time) on the third Business Day preceding the first day of such Yield Period that the Seller desires that the related Portion of Investment be a Euro-Rate Portion of Investment, or

(iv) any Yield Period relating to a Portion of Investment with respect to such Purchaser that is less than \$5,000,000,

the "Yield Rate" for each such Yield Period shall be an interest rate per annum equal to the Base Rate in effect on each day of such Yield Period or (b) such other rate set forth as the "Yield Rate" for such Purchaser in its Purchaser Group Fee Letter or any other document pursuant to which it became a party hereto. The "Yield Rate" for any day while a Termination Event exists shall be an interest rate equal to 2% per annum above the applicable Base Rate in effect on such day.

Other Terms. All accounting terms not specifically defined herein shall be construed in accordance with generally accepted accounting principles. All terms used in Article 9 of the UCC in the State of New York, and not specifically defined herein, are used herein as defined in such Article 9. Unless the context otherwise requires, "or" means "and/or," and "including" (and with correlative meaning "include" and "includes") means including without limiting the generality of any description preceding such term.

EXHIBIT II

CONDITIONS PRECEDENT

1. Conditions Precedent to Initial Purchase. The effectiveness of this Agreement is subject to the conditions precedent that the Administrator and each Purchaser Agent shall have received the following items, each in form and substance (including the date thereof) satisfactory to the Administrator and each such Purchaser Agent:

(a) A counterpart of the Agreement executed by each of the parties thereto.

(b) Certified copies of: (i) the resolutions of the Board of Directors of each of the Seller, the Originators and WESCO authorizing the execution, delivery and performance by the Seller, such Originator and WESCO, as the case may be, of the Agreement and the other Transaction Documents to which it is a party; (ii) all documents evidencing other necessary corporate action and governmental approvals, if any, with respect to the Agreement and the other Transaction Documents and (iii) the certificate of incorporation and by-laws of the Seller, each Originator and WESCO.

(c) A certificate of the Secretary or Assistant Secretary of the Seller, the Originators and WESCO certifying the names and true signatures of its officers who are authorized to sign the Agreement and the other Transaction Documents. Until the Administrator and each Purchaser Agent receives a subsequent incumbency certificate from the Seller, an Originator or WESCO, as the case may be, the Administrator and each Purchaser Agent shall be entitled to rely on the last such certificate delivered to it by the Seller, such Originator or WESCO, as the case may be.

(d) Acknowledgment copies, or time stamped receipt copies, of proper financing statements (and/or amendments to, or assignments of, the financing statements filed in connection with the Original Agreement), duly filed on or before the date hereof under the UCC of all jurisdictions that the Administrator or any Purchaser Agent may deem necessary or desirable in order to perfect the interests of the Seller and the Administrator (on behalf of each Purchaser) contemplated by the Agreement and the Sale Agreement.

(e) [Reserved].

(f) Completed UCC search reports, dated on or shortly before the date hereof, listing the financing statements filed in all applicable UCC jurisdictions that name the Originators or the Seller as debtor, together with copies of such other financing statements, and similar search reports with respect to judgment liens, federal tax liens and liens of the Pension Benefit Guaranty Corporation in such jurisdictions, as the Administrator or any Purchaser Agent may request, showing no Adverse Claims on any Pool Assets.

(g) Copies of any applicable amendments to the existing Lock-Box Agreements reasonably requested by the Administrator or any Purchaser Agent to evidence the transfer of administrative functions hereunder and thereunder from PNC Bank, National Association to Wachovia Securities, Inc.

(h) Favorable opinions (including any applicable bring-down opinions), in form and substance reasonably satisfactory to the Administrator and each Purchaser Agent, of Kirkpatrick & Lockhart LLP, counsel for Seller, Servicer and the Originators as to such bankruptcy, UCC and/or general corporate and enforceability matters, as the Administrator or any Purchaser Agent may reasonably request.

(i) [Reserved].

(j) [Reserved].

(k) Evidence of payment by the Seller of all accrued and unpaid fees (including those contemplated by each Purchaser Group Fee Letter), costs and expenses to the extent then due and payable on the date thereof, including any such costs, fees and expenses arising under or referenced in Section 6.4 of the Agreement and the Fee Letter.

(l) Each applicable Purchaser Group Fee Letter and/or any amendments thereto or amendments and restatements thereof (received only by the related Purchaser Group Agent) duly executed by the Seller and the Servicer.

(m) Good standing certificates with respect to each of the Seller, the Originators and the Servicer issued by the Secretary of State (or similar official) of the state of each such Person's organization and principal place of business.

(n) To the extent required by each Conduit Purchaser's commercial paper program, letters from each of the rating agencies then rating the Notes confirming the rating of such Notes after giving effect to the transaction contemplated by the Agreement.

(o) [Reserved].

(p) [Reserved].

(q) Such other approvals, opinions or documents as the Administrator or any Purchaser Agent may reasonably request.

(r) Evidence in form and substance satisfactory to the Administrator and each Purchaser Agent (including in the form of a payoff letter) that the aggregate outstanding Investment, Discount and all fees and other amounts payable to all applicable Purchasers in the Purchaser Groups including Three Rivers Funding Corporation and Liberty Street Funding Corp. have been finally paid in full.

2. Conditions Precedent to All Purchases and Reinvestments. Each Purchase (including the initial Purchase) and each reinvestment shall be subject to the further conditions precedent that:

(a) in the case of each purchase, the Servicer shall have delivered to the Administrator and each Purchaser Agent on or before such purchase, in form and substance satisfactory to the Administrator and such Purchaser Agent, a completed pro forma Information Package to reflect

the level of Investment with respect to each Purchaser Group and related reserves after such subsequent purchase; and

(b) on the date of such purchase or reinvestment the following statements shall be true (and acceptance of the proceeds of such purchase or reinvestment shall be deemed a representation and warranty by the Seller that such statements are then true):

(i) the representations and warranties contained in Exhibit III to the Agreement are true and correct in all material respects on and as of the date of such purchase or reinvestment as though made on and as of such date;

(ii) no event has occurred and is continuing, or would result from such purchase or reinvestment, that constitutes a Termination Event or an Unmatured Termination Event; and

(iii) the Aggregate Investment shall not exceed the Purchase Limit, and the Purchased Interest shall not exceed 100%.

EXHIBIT III

REPRESENTATIONS AND WARRANTIES

1. Representations and Warranties of the Seller. The Seller represents and warrants as follows:

(a) The Seller is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware, and is duly qualified to do business and is in good standing as a foreign corporation in every jurisdiction where the nature of its business requires it to be so qualified, except where the failure to be so qualified would not have a Material Adverse Effect.

(b) The execution, delivery and performance by the Seller of the Agreement and the other Transaction Documents to which it is a party, including its use of the proceeds of purchases and reinvestments: (i) are within its corporate powers; (ii) have been duly authorized by all necessary corporate action; (iii) do not contravene or result in a default under or conflict with: (A) its charter or by-laws, (B) any law, rule or regulation applicable to it, (C) any indenture, loan agreement, mortgage, deed of trust or other material agreement or instrument to which it is a party or by which it is bound, or (D) any order, writ, judgment, award, injunction or decree binding on or affecting it or any of its property; and (iv) do not result in or require the creation of any Adverse Claim upon or with respect to any of its properties. The Agreement and the other Transaction Documents to which it is a party have been duly executed and delivered by the Seller.

(c) No authorization, approval or other action by, and no notice to or filing with, any Governmental Authority or other Person is required for its due execution, delivery and performance by the Seller of the Agreement or any other Transaction Document to which it is a party, other than the Uniform Commercial Code filings referred to in Exhibit II to the Agreement, all of which shall have been filed on or before the date of the first purchase hereunder.

(d) Each of the Agreement and the other Transaction Documents to which the Seller is a party constitutes its legal, valid and binding obligation of the Seller enforceable against the Seller in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization or other similar laws from time to time in effect affecting the enforcement of creditors' rights generally and by general principles of equity, regardless of whether such enforceability is considered in a proceeding in equity or at law.

(e) There is no pending or, to Seller's best knowledge, threatened action or proceeding affecting Seller or any of its properties before any Governmental Authority or arbitrator.

(f) No proceeds of any purchase or reinvestment will be used to acquire any equity security of a class that is registered pursuant to Section 12 of the Securities Exchange Act of 1934.

(g) The Seller is the legal and beneficial owner of the Pool Receivables and Related Security, free and clear of any Adverse Claim. Upon each purchase or reinvestment, Administrator (for the benefit of each Purchaser) shall acquire a valid and enforceable perfected undivided percentage ownership or security interest, to the extent of the Purchased Interest, in each Pool Receivable then existing or thereafter arising and in the Related Security, Collections and other proceeds with respect thereto, free and clear of any Adverse Claim. The Agreement creates a security interest in favor of the Administrator (for the benefit of each Purchaser) in the Pool Assets, and the Administrator (for the benefit of each Purchaser) has a first priority perfected security interest in the Pool Assets, free and clear of any Adverse Claims. No effective financing statement or other instrument similar in effect covering any Pool Asset is on file in any recording office, except those filed in favor of the Seller pursuant to the Sale Agreement and the Administrator (for the benefit of each Purchaser) relating to the Agreement, or in respect of which the Administrator has received evidence satisfactory to the Administrator of acknowledgment copies, or time-stamped receipt copies, of proper financing statements releasing or terminating, as applicable, all security interests and other rights of any Person in such Pool Asset.

(h) Each Information Package (if prepared by the Seller or one of its Affiliates, or to the extent that information contained therein is supplied by the Seller or an Affiliate), information, exhibit, financial statement, document, book, record or report furnished or to be furnished at any time by or on behalf of the Seller to the Administrator or any Purchaser Agent in connection with the Agreement or any other Transaction Document to which it is a party is or will be complete and accurate in all material respects as of its date or as of the date so furnished, and does not and will not contain any material misstatement of fact or omit to state a material fact or any fact necessary to make the statements contained therein not misleading.

(i) The Seller's (x) principal place of business and chief executive office and the office where it keeps its records concerning the Receivables and (y) "location" (as such term is used in the UCC), are, in each case, located at the addresses referred to in Sections 1(b) and 2(b) of Exhibit IV to the Agreement.

(j) The names and addresses of all the Lock-Box Banks, together with the account numbers of the Lock-Box Accounts at such Lock-Box Banks, are specified in Schedule II to the Agreement (or at such other Lock-Box Banks and/or with such other Lock-Box Accounts as have been notified to the Administrator in accordance with the Agreement) and all Lock-Box Accounts are subject to Lock-Box Agreements (except as otherwise agreed to in writing by the Administrator). Seller has not granted to any Person, other than the Administrator as contemplated by the Agreement, dominion and control of any Lock-Box Account, or the right to take dominion and control of any such account at a future time or upon the occurrence of a future event.

(k) The Seller is not in violation of any order of any court, arbitrator or Governmental Authority.

(l) Neither the Seller nor any of its Affiliates has any direct or indirect ownership or other financial interest in any Purchaser.



(m) No proceeds of any purchase or reinvestment will be used for any purpose that violates any applicable law, rule or regulation, including Regulations T, U or X of the Federal Reserve Board.

(n) Each Pool Receivable included as an Eligible Receivable in the calculation of the Net Receivables Pool Balance is an Eligible Receivable.

(o) No event has occurred and is continuing that constitutes a Termination Event or an Unmatured Termination Event and no event would result from a purchase in respect of, or reinvestment in respect of, the Purchased Interest or from the application of the proceeds therefrom that constitutes a Termination Event or an Unmatured Termination Event.

(p) The Seller has accounted for each sale of undivided percentage ownership interests in Receivables in its books and financial statements as sales, consistent with generally accepted accounting principles.

(q) The Seller has complied in all material respects with the Credit and Collection Policy of each Originator with regard to each Receivable originated by such Originator.

(r) The Seller has complied in all material respects with all of the terms, covenants and agreements contained in the Agreement and the other Transaction Documents that are applicable to it and all laws, rules, regulations and orders that are applicable to it.

(s) The Seller's complete corporate name is set forth in the preamble to the Agreement, and it does not use and has not during the last five years used any other corporate name, trade name, doing-business name or fictitious name, except as set forth on Schedule III to the Agreement and except for names first used after the date of the Agreement and set forth in a notice delivered to the Administrator pursuant to Section 1(k)(iv) of Exhibit IV to the Agreement.

(t) The Seller is not an "investment company," or a company "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, as amended. In addition, the Seller is not a "holding company," a "subsidiary company" of a "holding company" or an "affiliate" of a "holding company" or of a "subsidiary company" of a "holding company" within the meaning of the Public Utility Holding Company Act of 1935, as amended.

(u) [Reserved].

(v) With respect to each Receivable transferred to the Seller under the Sale Agreement, Seller has given reasonably equivalent value to the Originator thereof in consideration therefor and such transfer was not made for or on account of an antecedent debt. No transfer by any Originator of any Receivable under the Sale Agreement is or may be voidable under any Section of the Bankruptcy Code.

(w) Each Contract with respect to each Receivable is effective to create, and has created, a legal, valid and binding obligation of the related Obligor to pay the Outstanding Balance of the Receivable created thereunder and any accrued interest thereon, enforceable

against the Obligor in accordance with its terms, except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws relating to or limiting creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law).

(x) Since its most recent fiscal year end, there has been no change in the business, operations, financial condition, properties or assets of the Seller which would have a Material Adverse Effect on its ability to perform its obligations under the Agreement or any other Transaction Document to which it is a party or materially and adversely affect the transactions contemplated under the Agreement or such other Transaction Documents.

2. Representations and Warranties of WESCO (including in its capacity as the Servicer). WESCO, individually and in its capacity as the Servicer, represents and warrants as follows:

(a) WESCO is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware, and is duly qualified to do business and is in good standing as a foreign corporation in every jurisdiction where the nature of its business requires it to be so qualified, except where the failure to be so qualified would not have a Material Adverse Effect.

(b) The execution, delivery and performance by WESCO of the Agreement and the other Transaction Documents to which it is a party, including the Servicer's use of the proceeds of purchases and reinvestments: (i) are within its corporate powers; (ii) have been duly authorized by all necessary corporate action; (iii) do not contravene or result in a default under or conflict with: (A) its charter or by-laws, (B) any law, rule or regulation applicable to it, (C) any indenture, loan agreement, mortgage, deed of trust or other material agreement or instrument to which it is a party or by which it is bound, or (D) any order, writ, judgment, award, injunction or decree binding on or affecting it or any of its property; and (iv) do not result in or require the creation of any Adverse Claim upon or with respect to any of its properties. The Agreement and the other Transaction Documents to which WESCO is a party have been duly executed and delivered by WESCO.

(c) No authorization, approval or other action by, and no notice to or filing with any Governmental Authority or other Person, is required for the due execution, delivery and performance by WESCO of the Agreement or any other Transaction Document to which it is a party.

(d) Each of the Agreement and the other Transaction Documents to which WESCO is a party constitutes the legal, valid and binding obligation of WESCO enforceable against WESCO in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization or other similar laws from time to time in effect affecting the enforcement of creditors' rights generally and by general principles of equity, regardless of whether such enforceability is considered in a proceeding in equity or at law.

(e) The balance sheets of WESCO and its consolidated Subsidiaries as at December 31, 2002, and the related statements of income and retained earnings for the fiscal year then ended, copies of which have been furnished to the Administrator and each Purchaser Agent,

fairly present the financial condition of WESCO and its consolidated Subsidiaries as at such date and the results of the operations of WESCO and its Subsidiaries for the period ended on such date, all in accordance with generally accepted accounting principles consistently applied, and since December 31, 2002 there has been no event or circumstances which have had a Material Adverse Effect.

(f) Except as disclosed in the most recent audited financial statements of WESCO furnished to the Administrator and each Purchaser Agent, there is no pending or, to its best knowledge, threatened action or proceeding affecting it or any of its Subsidiaries before any Governmental Authority or arbitrator that could have a Material Adverse Effect.

(g) No proceeds of any purchase or reinvestment will be used to acquire any equity security of a class that is registered pursuant to Section 12 of the Securities Exchange Act of 1934.

(h) Each Information Package (if prepared by WESCO or one of its Affiliates, or to the extent that information contained therein is supplied by WESCO or an Affiliate), information, exhibit, financial statement, document, book, record or report furnished or to be furnished at any time by or on behalf of the Servicer to the Administrator, any Purchaser or any Purchaser Agent in connection with the Agreement is or will be complete and accurate in all material respects as of its date or as of the date so furnished and does not and will not contain any material misstatement of fact or omit to state a material fact or any fact necessary to make the statements contained therein not misleading.

(i) The office where WESCO keeps its records concerning the Receivables are located at the address referred to in Section 2(b) of Exhibit IV to the Agreement.

(j) WESCO is not in violation of any order of any court, arbitrator or Governmental Authority, which could have a Material Adverse Effect.

(k) Neither WESCO nor any of its Affiliates has any direct or indirect ownership or other financial interest in any Purchaser.

(l) The Servicer has complied in all material respects with the Credit and Collection Policy of each Originator with regard to each Receivable originated by such Originator.

(m) WESCO has complied in all material respects with all of the terms, covenants and agreements contained in the Agreement and the other Transaction Documents that are applicable to it.

(n) WESCO is not an "investment company" or a company "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, as amended. In addition, WESCO is not a "holding company," a "subsidiary company" of a "holding company," or an "affiliate" of a "holding company" or of a "subsidiary company" of a "holding company" within the meaning of the Public Utility Holding Company Act of 1935, as amended.

(o) [Reserved].

(p) Since its most recent fiscal year end, there has been no change in the business, operations, financial condition, properties or assets of the Servicer which would have a Material Adverse Effect on its ability to perform its obligations under the Agreement or any other Transaction Document to which it is a party or materially and adversely affect the transactions contemplated under the Agreement or such other Transaction Documents.

(q) No license or approval is required for the Administrator or any successor Servicer to use any program used by the Servicer in the servicing of the Receivables.

EXHIBIT IV

COVENANTS

1. Covenants of the Seller. Until the latest of the Facility Termination Date, the date on which no Investment of or Discount in respect of the Purchased Interest shall be outstanding or the date all other amounts owed by the Seller under the Agreement to any Purchaser, Purchaser Agent, the Administrator and any other Indemnified Party or Affected Person shall be paid in full:

(a) Compliance with Laws, Etc. The Seller shall comply with all applicable laws, rules, regulations and orders, and preserve and maintain its corporate existence, rights, franchises, qualifications and privileges, except to the extent that the failure so to comply with such laws, rules and regulations or the failure so to preserve and maintain such rights, franchises, qualifications and privileges would not have a Material Adverse Effect.

(b) Offices, Records and Books of Account, Etc. The Seller: (i) shall keep its principal place of business, chief executive office and "location" (as such term is used in the UCC) and the office where it keeps its records concerning the Receivables at the addresses and locations of the Seller set forth under its name on the signature page to the Agreement or, pursuant to clause (k)(iv) below, at any other locations in jurisdictions where all actions reasonably requested by the Administrator to protect and perfect the interest of the Administrator (for the benefit of the Purchasers) in the Receivables and related items (including the Pool Assets) have been taken and completed and (ii) shall provide the Administrator with at least 30 days' written notice before making any change in the Seller's name or making any other change in the Seller's identity or corporate structure (including a Change in Control) that could render any UCC financing statement filed in connection with this Agreement "seriously misleading" as such term (or similar term) is used in the UCC; each notice to the Administrator pursuant to this sentence shall set forth the applicable change and the effective date thereof. The Seller also will maintain and implement (or cause the Servicer to maintain and implement) administrative and operating procedures (including an ability to recreate records evidencing Receivables and related Contracts in the event of the destruction of the originals thereof), and keep and maintain (or cause the Servicer to keep and maintain) all documents, books, records, computer tapes and disks and other information reasonably necessary or advisable for the collection of all Receivables (including records adequate to permit the daily identification of each Receivable and all Collections of and adjustments to each existing Receivable). The Seller will (and will cause each Originator to) on or prior to the date of the Agreement, mark its master data processing records and other books and records relating to the Purchased Interest (and at all times thereafter (until the latest of the Facility Termination Date or the date all other amounts owed by the Seller under the Agreement shall be paid in full) continue to maintain such records) with a legend, acceptable to the Administrator, describing the Purchased Interest.

(c) Performance and Compliance with Contracts and Credit and Collection Policy. The Seller shall (and shall cause the Servicer to), at its expense, timely and fully perform and comply with all material provisions, covenants and other promises required to be observed by it under the Contracts related to the Receivables, and timely and fully comply in all material

respects with the applicable Credit and Collection Policies with regard to each Receivable and the related Contract.

(d) Ownership Interest, Etc. The Seller shall (and shall cause the Servicer to), at its expense, take all action necessary or desirable to establish and maintain a valid and enforceable undivided percentage ownership or security interest, to the extent of the Purchased Interest, in the Pool Receivables, the Related Security and Collections with respect thereto, and a first priority perfected security interest in the Pool Assets, in each case free and clear of any Adverse Claim, in favor of the Administrator (for the benefit of the Purchasers), including taking such action to perfect, protect or more fully evidence the interest of the Administrator (for the benefit of the Purchasers) as the Administrator, may reasonably request.

(e) Sales, Liens, Etc. The Seller shall not sell, assign (by operation of law or otherwise) or otherwise dispose of, or create or suffer to exist any Adverse Claim upon or with respect to, any or all of its right, title or interest in, to or under any Pool Assets (including the Seller's undivided interest in any Receivable, Related Security or Collections, or upon or with respect to any account to which any Collections of any Receivables are sent), or assign any right to receive income in respect of any items contemplated by this paragraph.

(f) Extension or Amendment of Receivables. Except as provided in the Agreement, the Seller shall not, and shall not permit the Servicer to, extend the maturity or adjust the Outstanding Balance or otherwise modify the terms of any Pool Receivable, or amend, modify or waive any term or condition of any related Contract.

(g) Change in Business or Credit and Collection Policy. The Seller shall not make (or permit any Originator to make) any change in the character of its business or in any Credit and Collection Policy, or any change in any Credit and Collection Policy that would have a Material Adverse Effect with respect to the Receivables. The Seller shall not make (or permit any Originator to make) any other change in any Credit and Collection Policy without giving prior written notice thereof to the Administrator and each Purchaser Agent.

(h) Audits. The Seller shall (and shall cause each Originator to), from time to time during regular business hours, but no more frequently than annually unless (x) a Termination Event or Unmatured Termination Event has occurred and is continuing or (y) in the opinion of the Administrator (with the consent or at the direction of the Majority Purchasers) reasonable grounds for insecurity exist with respect to the collectibility of a material portion of the Pool Receivables or with respect to the Seller's performance or ability to perform in any material respect its obligations under the Agreement, as reasonably requested in advance (unless a Termination Event or Unmatured Termination Event exists) by the Administrator, permit the Administrator, or its agents or representatives: (i) to examine and make copies of and abstracts from all books, records and documents (including computer tapes and disks) in the possession or under the control of the Seller (or any such Originator) relating to Receivables and the Related Security, including the related Contracts, and (ii) to visit the offices and properties of the Seller and the Originators for the purpose of examining such materials described in clause (i) above, and to discuss matters relating to Receivables and the Related Security or the Seller's, WESCO's or the Originators' performance under the Transaction Documents or under the Contracts with

any of the officers, employees, agents or contractors of the Seller, WESCO or the Originators having knowledge of such matters.

(i) Change in Lock-Box Banks, Lock-Box Accounts and Payment Instructions to Obligors. The Seller shall not, and shall not permit the Servicer or any Originator to, add or terminate any bank as a Lock-Box Bank or any account as a Lock-Box Account from those listed in Schedule II to the Agreement, or make any change in its instructions to Obligors regarding payments to be made to the Seller, the Originators, the Servicer or any Lock-Box Account (or related post office box), unless the Administrator and the Majority Purchasers shall have consented thereto in writing and the Administrator shall have received copies of all agreements and documents (including Lock-Box Agreements) that it may request in connection therewith.

(j) Deposits to Lock-Box Accounts. The Seller shall (or shall cause the Servicer to): (i) instruct all Obligors to make payments of all Receivables to one or more Lock-Box Accounts or to post office boxes to which only Lock-Box Banks have access (and shall instruct the Lock-Box Banks to cause all items and amounts relating to such Receivables received in such post office boxes to be removed and deposited into a Lock-Box Account on a daily basis), and (ii) deposit, or cause to be deposited, any Collections received by it, the Servicer or any Originator into Lock-Box Accounts not later than one Business Day after receipt thereof. Except as otherwise agreed to in writing by the Administrator and the Majority Purchasers, each Lock-Box Account shall at all times be subject to a Lock-Box Agreement. The Seller will not (and will not permit the Servicer to) deposit or otherwise credit, or cause or permit to be so deposited or credited, to any Lock-Box Account cash or cash proceeds other than Collections.

(k) Reporting Requirements. The Seller will provide to the Administrator (in multiple copies, if requested by the Administrator) and each Purchaser Agent the following:

(i) as soon as available and in any event within 90 days after the end of each fiscal year of the Seller, a copy of the annual report for such year for the Seller, containing unaudited financial statements for such year certified as to accuracy by the chief financial officer or treasurer of the Seller;

(ii) as soon as possible and in any event within five days after the occurrence of each Termination Event or Unmatured Termination Event, a statement of the chief financial officer of the Seller setting forth details of such Termination Event or Unmatured Termination Event and the action that the Seller has taken and proposes to take with respect thereto;

(iii) promptly after the filing or receiving thereof, copies of all reports and notices that the Seller or any Affiliate files under ERISA with the Internal Revenue Service, the Pension Benefit Guaranty Corporation or the U.S. Department of Labor or that the Seller or any Affiliate receives from any of the foregoing or from any multiemployer plan (within the meaning of Section 4001(a)(3) of ERISA) to which the Seller or any of its Affiliates is or was, within the preceding five years, a contributing employer, in each case in respect of the assessment of withdrawal liability or an event or condition that could, in the aggregate, result in the imposition of liability on the Seller and/or any such Affiliate;

(iv) at least thirty days before any change in the Seller's name or any other change requiring the amendment of UCC financing statements, a notice setting forth such changes and the effective date thereof;

(v) promptly after the Seller obtains knowledge thereof, notice of any: (A) material litigation, investigation or proceeding that may exist at any time between the Seller and any Person or (B) material litigation or proceeding relating to any Transaction Document;

(vi) promptly after the occurrence thereof, notice of a material adverse change in the business, operations, property or financial or other condition of the Seller, the Servicer or any Originator; and

(vii) such other information respecting the Receivables or the condition or operations, financial or otherwise, of the Seller or any of its Affiliates as the Administrator or any Purchaser Agent may from time to time reasonably request.

(l) Certain Agreements. Without the prior written consent of the Administrator and the Majority Purchasers, the Seller will not (and will not permit any Originator to) amend, modify, waive, revoke or terminate any Transaction Document to which it is a party or any provision of Seller's certificate of incorporation or by-laws.

(m) Restricted Payments. (i) Except pursuant to clause (ii) below, the Seller will not: (A) purchase or redeem any shares of its capital stock, (B) declare or pay any dividend or set aside any funds for any such purpose, (C) prepay, purchase or redeem any Debt, (D) lend or advance any funds or (E) repay any loans or advances to, for or from any of its Affiliates (the amounts described in clauses (A) through (E) being referred to as "Restricted Payments").

(ii) Subject to the limitations set forth in clause (iii) below, the Seller may make Restricted Payments so long as such Restricted Payments are made only in one or more of the following ways: (A) the Seller may make cash payments (including prepayments) on the Company Note in accordance with its terms, and (B) if no amounts are then outstanding under the Company Note, the Seller may declare and pay dividends.

(iii) The Seller may make Restricted Payments only out of the funds it receives pursuant to Sections 1.4(b)(ii) and (iv) of the Agreement. Furthermore, the Seller shall not pay, make or declare: (A) any dividend if, after giving effect thereto, the Seller's tangible net worth would be less than \$50,000,000 or (B) any Restricted Payment (including any dividend) if, after giving effect thereto, any Termination Event or Unmatured Termination Event shall have occurred and be continuing.

(n) Other Business. The Seller will not: (i) engage in any business other than the transactions contemplated by the Transaction Documents; (ii) create, incur or permit to exist any Debt of any kind (or cause or permit to be issued for its account any letters of credit or bankers' acceptances) other than pursuant to this Agreement or the Company Note; or (iii) form any Subsidiary or make any investments in any other Person; provided, however, that the Seller shall be permitted to incur minimal obligations to the extent necessary for the day-to-day operations of the Seller (such as expenses for stationery, audits, maintenance of legal status, etc.).



(o) Use of Seller's Share of Collections. The Seller shall apply the Seller's Share of Collections to make payments in the following order of priority: (i) the payment of its expenses (including all obligations payable to the Purchaser Groups and the Administrator under the Agreement and under each Purchaser Group Fee Letter); (ii) the payment of accrued and unpaid interest on the Company Note; and (iii) other legal and valid corporate purposes.

(p) Tangible Net Worth. The Seller will not permit its tangible net worth, at any time, to be less than \$50,000,000.

(q) Exclusion of Credit Memos. As soon as possible, the Seller shall (and shall cause each Originator and the Servicer to) remove credit memos from any aging schedules contained in or used to calculate the information set forth in each Information Package delivered pursuant to Section 2(i)(iii) of Exhibit IV to the Agreement.

(r) Calculation of the Purchased Interest. The Seller shall calculate the Purchased Interest on a daily basis and, if requested, provide the results of such calculation to the Administrator, any Purchaser Agent, Moody's or Standard & Poor's, as applicable.

2. Covenants of the Servicer and WESCO. Until the latest of the Facility Termination Date, the date on which no Investment of or Discount in respect of the Purchased Interest shall be outstanding or the date all other amounts owed by the Seller under the Agreement to the Purchaser Agents, the Purchasers, the Administrator and any other Indemnified Party or Affected Person shall be paid in full:

(a) Compliance with Laws, Etc. The Servicer and, to the extent that it ceases to be the Servicer, WESCO shall comply (and shall cause each Originator to comply) in all material respects with all applicable laws, rules, regulations and orders, and preserve and maintain its corporate existence, rights, franchises, qualifications and privileges, except to the extent that the failure so to comply with such laws, rules and regulations or the failure so to preserve and maintain such existence, rights, franchises, qualifications and privileges would not have a Material Adverse Effect.

(b) Offices, Records and Books of Account, Etc. The Servicer and, to the extent that it ceases to be the Servicer, WESCO, shall keep (and shall cause each Originator to keep) its principal place of business, chief executive office and "location" (as such term is used in the applicable UCC) and the office where it keeps its records concerning the Receivables at the addresses of the Servicer set forth under its name on the signature page to the Agreement or, upon at least 30 days' prior written notice of a proposed change to the Administrator, at any other locations in jurisdictions where all actions reasonably requested by the Administrator to protect and perfect the interest of the Administrator (for the benefit of each Purchaser) in the Receivables and related items (including the Pool Assets) have been taken and completed. The Servicer and, to the extent that it ceases to be the Servicer, WESCO, also will (and will cause each Originator to) maintain and implement administrative and operating procedures (including an ability to recreate records evidencing Receivables and related Contracts in the event of the destruction of the originals thereof), and keep and maintain all documents, books, records, computer tapes and disks and other information reasonably necessary or advisable for the

collection of all Receivables (including records adequate to permit the daily identification of each Receivable and all Collections of and adjustments to each existing Receivable).

(c) Performance and Compliance with Contracts and Credit and Collection Policy. The Servicer and, to the extent that it ceases to be the Servicer, WESCO, shall (and shall cause Originator to), at its expense, timely and fully perform and comply with all material provisions, covenants and other promises required to be observed by it under the Contracts related to the Receivables, and timely and fully comply in all material respects with the Credit and Collection Policy with regard to each Receivable and the related Contract.

(d) Extension or Amendment of Receivables. Except as provided in the Agreement, the Servicer and, to the extent that it ceases to be the Servicer, WESCO, shall not extend (and shall not permit any Originator to extend), the maturity or adjust the Outstanding Balance or otherwise modify the terms of any Pool Receivable, or amend, modify or waive any term or condition of any related Contract.

(e) Change in Business or Credit and Collection Policy. The Servicer and, to the extent that it ceases to be the Servicer, WESCO, shall not make (and shall not permit any Originator to make) any change in the character of its business or in any Credit and Collection Policy that would have a Material Adverse Effect. The Servicer and, to the extent that it ceases to be the Servicer, WESCO, shall not make (and shall not permit any Originator to make) any other change in any Credit and Collection Policy without giving prior written notice thereof to the Administrator and each Purchaser Agent.

(f) Audits. The Servicer and, to the extent that it ceases to be the Servicer, WESCO, shall (and shall cause each Originator to), from time to time during regular business hours, but no more frequently than annually unless (x) a Termination Event or Unmatured Termination Event has occurred and is continuing or (y) in the opinion of the Administrator (with the consent or at the direction of the Majority Purchasers) reasonable grounds for insecurity exist with respect to the collectibility of a material portion of the Pool Receivables or with respect to the Servicer's performance or ability to perform in any material respect its obligations under the Agreement, as reasonably requested in advance (unless a Termination Event or Unmatured Termination Event exists) by the Administrator, permit the Administrator, or its agents or representatives: (i) to examine and make copies of and abstracts from all books, records and documents (including computer tapes and disks) in its possession or under its control relating to Receivables and the Related Security, including the related Contracts; and (ii) to visit its offices and properties for the purpose of examining such materials described in clause (i) above, and to discuss matters relating to Receivables and the Related Security or its performance hereunder or under the Contracts with any of its officers, employees, agents or contractors having knowledge of such matters.

(g) Change in Lock-Box Banks, Lock-Box Accounts and Payment Instructions to Obligors. The Servicer and, to the extent that it ceases to be the Servicer, WESCO, shall not (and shall not permit any Originator to) add or terminate any bank as a Lock-Box Bank or any account as a Lock-Box Account from those listed in Schedule II to the Agreement, or make any change in its instructions to Obligors regarding payments to be made to the Servicer or any Lock-Box Account (or related post office box), unless the Administrator and the Majority

Purchasers shall have consented thereto in writing and the Administrator shall have received copies of all agreements and documents (including Lock-Box Agreements) that it may request in connection therewith.

(h) Deposits to Lock-Box Accounts. The Servicer shall: (i) instruct all Obligors to make payments of all Receivables to one or more Lock-Box Accounts or to post office boxes to which only Lock-Box Banks have access (and shall instruct the Lock-Box Banks to cause all items and amounts relating to such Receivables received in such post office boxes to be removed and deposited into a Lock-Box Account on a daily basis); and (ii) deposit, or cause to be deposited, any Collections received by it into Lock-Box Accounts not later than one Business Day after receipt thereof. Except as otherwise agreed to in writing by the Administrator and the Majority Purchasers, each Lock-Box Account shall at all times be subject to a Lock-Box Agreement. The Servicer will not deposit or otherwise credit, or cause or permit to be so deposited or credited, to any Lock-Box Account cash or cash proceeds other than Collections.

(i) Reporting Requirements. WESCO shall provide to the Administrator (in multiple copies, if requested by the Administrator) and each Purchaser Agent the following:

(i) as soon as available and in any event within 45 days after the end of the first three quarters of each fiscal year of WESCO, balance sheets of WESCO and its consolidated Subsidiaries as of the end of such quarter and statements of income, retained earnings and cash flow of WESCO and its consolidated Subsidiaries for the period commencing at the end of the previous fiscal year and ending with the end of such quarter, certified by the chief financial officer of such Person;

(ii) as soon as available and in any event within 90 days after the end of each fiscal year of WESCO, a copy of the annual report for such year for WESCO and its consolidated Subsidiaries, containing financial statements for such year audited by independent certified public accountants of nationally recognized standing;

(iii) as to the Servicer only, as soon as available and in any event not later than the twentieth day after the last day of each calendar month, an Information Package as of the last day of such month or, within 10 Business Days of a request by the Administrator or any Purchaser Agent, an Information Package for such periods as is specified by the Administrator or such Purchaser Agent (including on a semi-monthly, weekly or daily basis); provided, however that if WESCO shall cease to have a rating of at least "B-" by Standard & Poor's on its corporate credit rating the Servicer shall (i) provide an Information Package on the first Business Day of each calendar week and (ii) provide such information as shall requested by the Administrator in its sole discretion regarding Collections to the Administrator on a daily basis;

(iv) as soon as possible and in any event within five days after becoming aware of the occurrence of each Termination Event or Unmatured Termination Event, a statement of the chief financial officer of WESCO setting forth details of such Termination Event or Unmatured Termination Event and the action that such Person has taken and proposes to take with respect thereto;

(v) promptly after the sending or filing thereof, copies of all reports that WESCO sends to any of its security holders, and copies of all reports and registration statements that WESCO or any Subsidiary files with the Securities and Exchange Commission or any national securities exchange; provided, that any filings with the Securities and Exchange Commission that have been granted "confidential" treatment shall be provided promptly after such filings have become publicly available;

(vi) promptly after the filing or receiving thereof, copies of all reports and notices that WESCO or any of its Affiliate files under ERISA with the Internal Revenue Service, the Pension Benefit Guaranty Corporation or the U.S. Department of Labor or that such Person or any of its Affiliates receives from any of the foregoing or from any multiemployer plan (within the meaning of Section 4001(a)(3) of ERISA) to which such Person or any of its Affiliate is or was, within the preceding five years, a contributing employer, in each case in respect of the assessment of withdrawal liability or an event or condition that could, in the aggregate, result in the imposition of liability on WESCO and/or any such Affiliate;

(vii) at least thirty days before any change in WESCO's or any Originator's name or any other change requiring the amendment of UCC financing statements, a notice setting forth such changes and the effective date thereof;

(viii) promptly after WESCO obtains knowledge thereof, notice of any: (A) litigation, investigation or proceeding that may exist at any time between WESCO or any of its Subsidiaries and any Governmental Authority that, if not cured or if adversely determined, as the case may be, would have a Material Adverse Effect; (B) litigation or proceeding adversely affecting such Person or any of its Subsidiaries in which the amount involved is \$500,000 or more and not covered by insurance or in which injunctive or similar relief is sought; or (C) litigation or proceeding relating to any Transaction Document;

(ix) promptly after the occurrence thereof, notice of a material adverse change in the business, operations, property or financial or other condition of WESCO or any of its Subsidiaries;

(x) promptly after the occurrence thereof, notice of any downgrade of WESCO;

(xi) such other information respecting the Receivables or the condition or operations, financial or otherwise, of WESCO or any of its Affiliates as the Administrator or any Purchaser Agent may from time to time reasonably request;

(xii) promptly after the occurrence thereof, notice of any material acquisition or investment by WESCO of or in any Person, business or operation; and

(xiii) On or before 30 days prior to each anniversary of the Closing Date, the Servicer shall, at its own expense, cause an independent auditor acceptable to the Administrator and each Purchaser Agent to furnish to WESCO, the Administrator and each Purchaser Agent, (A) a report in a format acceptable to each Purchaser Agent, to the

effect that they have (1) reviewed and audited WESCO's books, records and servicing procedures, (2) performed testing of a statistically significant sample of Receivables and each Information Package generated during such fiscal year then ended, and describing the results of such review and testing, and (3) during such review and testing, not discovered any deviations (other than those described in the report) from the Credit and Collection Policy, and (B) a report in a format acceptable to each Purchaser Agent to the effect that they have applied certain procedures agreed upon with the Servicer, the Administrator and each Purchaser Agent and examined certain documents and records relating to the servicing of Receivables under this Agreement, and that, based upon such agreed upon procedures, nothing has come to the attention of such accountants that caused them to believe such servicing (including without limitation, the allocation of Collections) has not been conducted in compliance with the terms and conditions set forth herein, except for such exceptions as they believe to be immaterial and such other exceptions as shall be set forth in such statement. In addition, each report shall set forth the agreed upon procedures performed.

3. Separate Existence. Each of the Seller and WESCO hereby acknowledges that the Purchasers, the Purchaser Agents, the Administrator and the Liquidity Providers are entering into the transactions contemplated by this Agreement and the other Transaction Documents in reliance upon the Seller's identity as a legal entity separate from WESCO and its Affiliates. Therefore, from and after the date hereof, each of the Seller and WESCO shall take all steps specifically required by the Agreement or reasonably required by the Administrator to continue the Seller's identity as a separate legal entity and to make it apparent to third Persons that the Seller is an entity with assets and liabilities distinct from those of WESCO and any other Person, and is not a division of WESCO, its Affiliates or any other Person. Without limiting the generality of the foregoing and in addition to and consistent with the other covenants set forth herein, each of the Seller and WESCO shall take such actions as shall be required in order that:

(a) The Seller will be a limited purpose corporation whose primary activities are restricted in its certificate of incorporation to: (i) purchasing or otherwise acquiring from the Originators, owning, holding, granting security interests or selling interests in Pool Assets, (ii) entering into agreements for the selling and servicing of the Receivables Pool, and (iii) conducting such other activities as it deems necessary or appropriate to carry out its primary activities;

(b) The Seller shall not engage in any business or activity, or incur any indebtedness or liability, other than as expressly permitted by the Transaction Documents;

(c) Not less than one member of the Seller's Board of Directors (the "Independent Director") shall be an individual who is not a direct, indirect or beneficial stockholder, officer, director, employee, affiliate, associate or supplier of WESCO or any of its Affiliates. The certificate of incorporation of the Seller shall provide that: (i) the Seller's Board of Directors shall not approve, or take any other action to cause the filing of, a voluntary bankruptcy petition with respect to the Seller unless the Independent Director shall approve the taking of such action in writing before the taking of such action, and (ii)

such provision cannot be amended without the prior written consent of the Independent Director;

(d) The Independent Director shall not at any time serve as a trustee in bankruptcy for the Seller, WESCO or any Affiliate thereof;

(e) Any employee, consultant or agent of the Seller will be compensated from the Seller's funds for services provided to the Seller. The Seller will not engage any agents other than its attorneys, auditors and other professionals, and a servicer and any other agent contemplated by the Transaction Documents for the Receivables Pool, which servicer will be fully compensated for its services by payment of the Servicing Fee, and a manager, which manager will be fully compensated from the Seller's funds;

(f) The Seller will contract with the Servicer to perform for the Seller all operations required on a daily basis to service the Receivables Pool. The Seller will pay the Servicer the Servicing Fee pursuant to the Agreement. The Seller will not incur any material indirect or overhead expenses for items shared with WESCO (or any other Affiliate thereof) that are not reflected in the Servicing Fee. To the extent, if any, that the Seller (or any Affiliate thereof) shares items of expenses not reflected in the Servicing Fee or the manager's fee, such as legal, auditing and other professional services, such expenses will be allocated to the extent practical on the basis of actual use or the value of services rendered, and otherwise on a basis reasonably related to the actual use or the value of services rendered; it being understood that WESCO shall pay all expenses relating to the preparation, negotiation, execution and delivery of the Transaction Documents, including legal, agency and other fees;

(g) The Seller's operating expenses will not be paid by WESCO or any other Affiliate thereof;

(h) All of the Seller's business correspondence and other communications shall be conducted in the Seller's own name and on its own separate stationery;

(i) The Seller's books and records will be maintained separately from those of WESCO and any other Affiliate thereof;

(j) All financial statements of WESCO or any Affiliate thereof that are consolidated to include Seller will contain detailed notes clearly stating that: (i) a special purpose corporation exists as a Subsidiary of WESCO, and (ii) the Originators have sold receivables and other related assets to such special purpose Subsidiary that, in turn, has sold undivided interests therein to certain financial institutions and other entities;

(k) The Seller's assets will be maintained in a manner that facilitates their identification and segregation from those of WESCO or any Affiliate thereof;

(l) The Seller will strictly observe corporate formalities in its dealings with WESCO or any Affiliate thereof, and funds or other assets of the Seller will not be commingled with those of WESCO or any Affiliate thereof except as permitted by the Agreement in connection with servicing the Pool Receivables. The Seller shall not

maintain joint bank accounts or other depository accounts to which WESCO or any Affiliate thereof (other than WESCO in its capacity as the Servicer) has independent access. The Seller is not named, and has not entered into any agreement to be named, directly or indirectly, as a direct or contingent beneficiary or loss payee on any insurance policy with respect to any loss relating to the property of WESCO or any Subsidiary or other Affiliate of WESCO. The Seller will pay to the appropriate Affiliate the marginal increase or, in the absence of such increase, the market amount of its portion of the premium payable with respect to any insurance policy that covers the Seller and such Affiliate; and

(m) The Seller will maintain arm's-length relationships with WESCO (and any Affiliate thereof). Any Person that renders or otherwise furnishes services to the Seller will be compensated by the Seller at market rates for such services it renders or otherwise furnishes to the Seller. Neither the Seller nor WESCO will be or will hold itself out to be responsible for the debts of the other or the decisions or actions respecting the daily business and affairs of the other. The Seller and WESCO will immediately correct any known misrepresentation with respect to the foregoing, and they will not operate or purport to operate as an integrated single economic unit with respect to each other or in their dealing with any other entity.

(n) WESCO shall not pay the salaries of Seller's employees, if any.

EXHIBIT V

TERMINATION EVENTS

Each of the following shall be a "Termination Event":

(a) (i) the Seller, WESCO, any Originator or the Servicer shall fail to perform or observe any term, covenant or agreement under the Agreement or any other Transaction Document and, except as otherwise provided herein, such failure shall continue for 5 days after knowledge or notice thereof, (ii) the Seller or the Servicer shall fail to make when due any payment or deposit to be made by it under the Agreement and such failure shall continue unremedied for one Business Day or (iii) WESCO shall resign as Servicer, and no successor Servicer reasonably satisfactory to the Administrator and the Majority Purchasers shall have been appointed;

(b) WESCO (or any Affiliate thereof) shall fail to transfer to any successor Servicer when required any rights pursuant to the Agreement that WESCO (or such Affiliate) then has as Servicer;

(c) any representation or warranty made or deemed made by the Seller, WESCO or any Originator (or any of their respective officers) under or in connection with the Agreement or any other Transaction Document, or any information or report delivered by the Seller, WESCO or any Originator or the Servicer pursuant to the Agreement or any other Transaction Document, shall prove to have been incorrect or untrue in any material respect when made or deemed made or delivered, and shall remain incorrect or untrue for 5 days after notice to the Seller or the Servicer of such inaccuracy;

(d) the Seller or the Servicer shall fail to deliver the Information Package pursuant to the Agreement, and such failure shall remain unremedied for two days;

(e) the Agreement or any purchase or reinvestment pursuant to the Agreement shall for any reason: (i) cease to create, or the Purchased Interest shall for any reason cease to be, a valid and enforceable perfected undivided percentage ownership or security interest to the extent of the Purchased Interest in each Pool Receivable, the Related Security and Collections with respect thereto, free and clear of any Adverse Claim, or (ii) cease to create with respect to the Pool Assets, or the interest of the Administrator (for the benefit of the Purchasers) with respect to such Pool Assets shall cease to be, a valid and enforceable first priority perfected security interest, free and clear of any Adverse Claim;

(f) the Seller, WESCO or any Originator shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by or against the Seller, WESCO or any Originator seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property and, in



the case of any such proceeding instituted against it (but not instituted by it), either such proceeding shall remain undismissed or unstayed for a period of 60 days, or any of the actions sought in such proceeding (including the entry of an order for relief against, or the appointment of a receiver, trustee, custodian or other similar official for, it or for any substantial part of its property) shall occur; or the Seller, WESCO or any Originator shall take any corporate action to authorize any of the actions set forth above in this paragraph;

(g) the average for three consecutive calendar months of: the (A) Default Ratio shall exceed 3.00%, (B) the Delinquency Ratio shall exceed 4.05%, or (C) the Dilution Ratio shall exceed 7.00%;

(h) a Change in Control shall occur;

(i) at any time (i) the sum of (A) the Aggregate Investment plus (B) the Total Reserves, exceeds (ii) the sum of (A) the Net Receivables Pool Balance at such time plus (B) the Purchasers' share of the amount of Collections then on deposit in the Lock-Box Accounts (other than amounts set aside therein representing Discount and Fees), and such circumstance shall not have been cured within two Business Days;

(j) (i) WESCO or any of its Subsidiaries shall fail to pay any principal of or premium or interest on any of its Debt that is outstanding in a principal amount of at least \$20,000,000 in the aggregate when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period, if any, specified in the agreement, mortgage, indenture or instrument relating to such Debt (and shall have not been waived); or (ii) any other event shall occur or condition shall exist under any agreement, mortgage, indenture or instrument relating to any such Debt and shall continue after the applicable grace period, if any, specified in such agreement, mortgage, indenture or instrument (and shall have not been waived), if, in either case: (a) the effect of such non-payment, event or condition is to give the applicable debtholders the right (whether acted upon or not) to accelerate the maturity of such Debt, or (b) any such Debt shall be declared to be due and payable, or required to be prepaid (other than by a regularly scheduled required prepayment), redeemed, purchased or defeased, or an offer to repay, redeem, purchase or defease such Debt shall be required to be made, in each case before the stated maturity thereof;

(k) either: (i) a contribution failure shall occur with respect to any Benefit Plan sufficient to give rise to a lien under Section 302(f) of ERISA, (ii) the Internal Revenue Service shall file a notice of lien asserting (1) a claim or claims pursuant to the Internal Revenue Code with regard to any of the assets of Seller or (2) a claim or claims of \$250,000 or more in the aggregate pursuant to the Internal Revenue Code with regard to any of the assets of any Originator, WESCO or any ERISA Affiliate, and in each case such lien shall have been filed and not released within 10 days, or (iii) the Pension Benefit Guaranty Corporation shall, or shall indicate its intention in writing to the Seller, any Originator, WESCO or any ERISA Affiliate to, either file a notice of lien asserting a claim pursuant to ERISA with regard to any assets of the Seller, any Originator, WESCO or any ERISA Affiliate or terminate any Benefit Plan that has unfunded benefit liabilities, or any steps shall have been taken to terminate any Benefit Plan

subject to Title IV of ERISA so as to result in any liability in excess of \$1,000,000 and such lien shall have been filed and not released within 10 days;

(l) one or more final judgments for the payment of money shall be entered against the Seller or (ii) one or more final judgments for the payment of money in an amount in excess of \$20,000,000, individually or in the aggregate, shall be entered against the Servicer on claims not covered by insurance or as to which the insurance carrier has denied its responsibility, and such judgment shall continue unsatisfied and in effect for sixty (60) consecutive days without a stay of execution;

(m) the "Purchase and Sale Termination Date" under and as defined in the Sale Agreement shall occur under the Sale Agreement or any Originator shall for any reason cease to transfer, or cease to have the legal capacity to transfer, or otherwise be incapable of transferring Receivables to the Seller under the Sale Agreement ; or

(n) If on or prior to December 31, 2003 the Seller shall not have established (or caused to be established) such lockbox or accounts, in form and substance satisfactory to the Administrator and each Purchaser Agent, with respect to which lockboxes or accounts Collections on Receivables relating to the Avon Branch are received and/or deposited, and over which the Administrator shall have control for all purposes of the UCC.

SCHEDULE I

CREDIT AND COLLECTION POLICY

On File With:

WESCO Receivables Corp.

Commerce Court, Suite 700  
Four Station Square  
Pittsburgh, PA 15219

Attn: Secretary and General Counsel

Telephone: (412) 454-2254

Facsimile: (412) 454-2515

Schedule I

SCHEDULE II

LOCK-BOX BANKS AND LOCK-BOX ACCOUNTS

Lock-Box -----	Bank -----	Title -----	Account -----
530409	PNC Bank	Int'l Structures	1001145943
771751	PNC Bank	Wesco Distribution Inc	1001145943
802578	PNC Bank	Wesco Distribution Inc	1001145943
676504	PNC Bank	Bruckner International	1001145943
676763	PNC Bank	Cash Sales	1001145943
676780	PNC Bank	Brown Electric	1001145943
890914	PNC Bank	Murco	1001145943
910465	PNC Bank	Wesco Distribution Inc	1001145943
825089	PNC Bank	Bala cynwyd	1001145943
640376	PNC Bank	Wesco Distribution Inc	1001145943
641447	PNC Bank	Pittsburgh Lockbox	1001145943
641836	PNC Bank	Cash Sales	1001145943
642432	PNC Bank	Hamby Young	1001145943
642526	PNC Bank	Coghlin	1001145943
642565	PNC Bank	Bruckner Supply	1001145943
642728	PNC Bank	Control Corp of America	1001145943
633718	Fifth Third	Wesco Distribution Inc	83527712

Schedule II

SCHEDULE III

TRADE NAMES

None

Schedule III

SCHEDULE IV

LIST OF GROUP A PURCHASERS

Blue Ridge Asset Funding Corporation

Market Street Funding Corporation

PNC Bank, National Association

Wachovia Bank, National Association

Schedule IV

SCHEDULE V  
CLOSED BRANCHES

Branch	Name
1040	F/S - BALA CYNWYD PA
1111	BOSTON MA
1118	PORTLAND ME
1119	WORCESTER MA QUANTUM
1227	HICKSVILLE NY
1337	TROY NY - GARDEN WAY
1446	PHILADELPHIA PA - PECO
1570	HAGERSTOWN MD
1577	WASHINGTON DC
3271	TOLEDO OH - NORTH STAR STEEL
3338	YOUNGSTOWN OH-WCI CONS
3350	JOHSTOWN OH
3417	CANTON OH
3561	ALBANY GA - COOPER TIRE
3620	COLUMBIA SC
3636	KERNERSVILLE NC
3726	PENSACOLA FL
3734	NASHVILLE TN - FORD MOTOR
3769	JACKSON MS-INTL PAPER
3770	JACKSON MS
3836	ORLANDO-UNIVERSAL STUDIO
5106	TINLEY PARK IL
5565	LAFAYETTE LA
5566	BATON ROUGE LA
5569	BEAUMONT TX - HUNTSMAN
5570	CORPUS CHRISTI TX
5573	HOUSTON TX-INDUS
5576	NEW ORLEANS LA
5579	HOUSTON DEPOT 3
6108	ANCHORAGE AK UNOCAL
6111	ALBANY OR
6214	SAN FRANCISCO CA
6453	PHOENIX AZ
6455	GLOBE AZ
6701	LOS ANGELES CA - O.E.M.
7205	HOUSTON TX - INTNATL
7424	MANUF HOUSING SUPPLY OF NC
7526	SPOKANE WA - UTILITY
7604	MONROE LA - MURCO
7613	PRESQUE ISLE ME - STANDARD
7615	MILLINOCKET ME - STANDARD
7617	ELLSWORTH ME - STANDARD

Schedule V-1

Branch	Name
7618	PORTLAND ME INTL PAPER
7624	PENSACOLA FL
7625	COMMUNICATIONS - EESCO
7627	EVERYFUSE - EESCO
7632	LAPORTE IN
7636	CRYSTAL LAKE IL - EESCO
7643	SCHOFIELD WI
7652	ROCHESTER MN - EESCO
7686	BRUNSWICK GA - ACE
7687	JACKSONVILLE FL B&L - ACE
7691	BEAUMONT TX - PSI
7724	CHICAGO IL - SSC
7801	ENERGY SVC CO SUPPORT
7802	PITTSBURGH UTILITY
7829	TEMPE AZ - HERNING
7851	DULUTH MN
7860	UTILITY CONST PROJ
9999	TEST BRANCH

Schedule V-2



ANNEX A

to Second Amended And Restated Receivables Purchase Agreement

FORM OF INFORMATION PACKAGE

ANNEX A

ANNEX B

to Second Amended And Restated Receivables Purchase Agreement

FORM OF PURCHASE NOTICE

ANNEX B

ANNEX C

to Second Amended And Restated Receivables Purchase Agreement

LIST OF SPECIAL OBLIGORS

None

ANNEX C

ANNEX D

to Second Amended And Restated Receivables Purchase Agreement

FORM OF ASSUMPTION AGREEMENT

ANNEX D

ANNEX E

to Second Amended And Restated Receivables Purchase Agreement

FORM OF TRANSFER SUPPLEMENT

ANNEX E

CERTIFICATION PURSUANT TO  
THE SARBANES-OXLEY ACT OF 2002

I, Roy W. Haley, certify that:

1. I have reviewed this report on Form 10-Q of WESCO International, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;
4. The Company'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)) for the 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 Company, 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) Evaluated the effectiveness of the Company'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
  - (c) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter (the Company's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and
5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company'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 Company's internal control over financial reporting.

Date: November 12, 2003

By: /s/ Roy W. Haley

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Roy W. Haley  
Chairman and Chief Executive Officer

CERTIFICATION PURSUANT TO  
THE SARBANES-OXLEY ACT OF 2002

I, Stephen A. Van Oss, certify that:

1. I have reviewed this report on Form 10-Q of WESCO International, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;
4. The Company'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)) for the Company 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 Company, 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) Evaluated the effectiveness of the Company'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
  - (c) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter (the Company's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and
5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company'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 Company's internal control over financial reporting.

Date: November 12, 2003

By: /s/ Stephen A. Van Oss

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Stephen A. Van Oss  
Vice President, Chief Financial Officer

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

In connection with the Quarterly Report of WESCO International, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned, in the capacities and on the dates indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

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

Date: November 12, 2003

By: /s/ Roy W. Haley

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Roy W. Haley  
Chairman and Chief Executive Officer



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

In connection with the Quarterly Report of WESCO International, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned, in the capacities and on the dates indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

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

Date: November 12, 2003

By: /s/ Stephen A. Van Oss

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Stephen A. Van Oss  
Vice President, Chief Financial Officer