UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-K

(Mark One)

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

For the Fiscal Year Ended December 31, 2021

or

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

Commission File No. 1-38300

CANNAE HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Delaware	**82-1273460**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*

1701 Village Center Circle,	Las Vegas,	Nevada	89134
(Address of principal executive offices)			*(zip code)*

(702) 323-7330

(Registrant’s telephone number, including area code)

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

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Cannae Common Stock, $0.0001 par value	CNNE	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☑ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☑

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

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

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

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

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☑

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

The aggregate market value of the shares of Cannae Common Stock held by non-affiliates of the registrant as of June 30, 2021, was $2,849,101,696 based on the closing price of $33.91 as reported by the New York Stock Exchange.

As of January 31, 2022 there were 86,486,034 shares of Cannae common stock outstanding.

The information in Part III hereof for the fiscal year ended December 31, 2021, will be filed within 120 days after the close of the fiscal year that is the subject of this Report.

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PART I

Item 1. *Business*

Introductory Note

The following describes the business of Cannae Holdings, Inc. and its subsidiaries. Except where otherwise noted, all references to "we," "us," "our," "Cannae", "Cannae Holdings", or the "Company," are to Cannae Holdings, Inc. and its subsidiaries, taken together.

Company Background

On November 17, 2017, Fidelity National Financial, Inc. ("FNF", NYSE: FNF) redeemed each outstanding share of its FNF Ventures ("FNFV") Group common stock, par value $0.0001, for one share of common stock, par value $0.0001, of a newly formed entity, Cannae (the "Split-Off"). In conjunction with the Split-Off, FNF contributed to us its portfolio of investments unrelated to its primary insurance and real estate operations, which included majority and minority equity interests in a number of entities and certain fixed income investments. On November 20, 2017, Cannae common stock began "regular-way" trading on The New York Stock Exchange under the "CNNE" stock symbol.

Description of Business

We primarily acquire interests in operating companies and are engaged in actively managing and operating a core group of those companies, which we are committed to supporting for the long-term. From time to time, we also seek to take meaningful majority and minority equity ownership stakes where we have the ability to control or significantly influence quality companies, and we bring the strength of our operational expertise to each of our subsidiaries. We are a long-term owner that secures control and governance rights of other companies primarily to engage in their lines of business and we have no preset time constraints dictating when we sell or dispose of our businesses. We believe that our long-term ownership and active involvement in the management and operations of companies helps maximize the value of those businesses for our shareholders. Our primary assets as of December 31, 2021 include our ownership interests in Dun & Bradstreet Holdings, Inc. ("Dun & Bradstreet" or "D&B"), Ceridian HCM Holding, Inc. ("Ceridian"), Alight, Inc. ("Alight"), Paysafe Limited ("Paysafe"), Sightline Payments Holdings, LLC ("Sightline" or "Sightline Payments"), Optimal Blue Holdco, LLC ("Optimal Blue") and AmeriLife Group, LLC ("AmeriLife"); majority equity ownership stakes in O'Charley's Holdings, LLC ("O'Charley's") and 99 Restaurants Holdings, LLC ("99 Restaurants"); and various other controlled portfolio companies and certain minority equity ownership interests.

The Company conducts its business through our wholly-owned subsidiary Cannae Holdings, LLC ("Cannae LLC"), a Delaware limited liability company. The Company’s board of directors ("Board") oversees the management of the Company, Cannae LLC and its businesses, and the performance of Trasimene Capital Management, LLC ("Trasimene" or our "Manager"). During the fiscal year ended December 31, 2019, the Company transitioned to an externally managed structure (such externalization of certain management functions, the "Externalization"). In connection with the Externalization, the Company, Cannae LLC, and our Manager entered into a Management Services Agreement dated as of August 27, 2019, as amended and restated on August 4, 2021 (as amended and restated, the "Management Services Agreement").

We believe our operating structure provides our investors with a compelling opportunity to participate in the acquisition, operation and growth of businesses by a world-class management team. Fundamentally, the Company seeks to take meaningful equity ownership stakes where we have an ability to control or significantly influence quality companies that are well-positioned in their respective industries, run by best-in-class management teams and that operate in industries that have attractive organic and acquired growth opportunities. Led by William P. Foley II ("Bill Foley") and facilitated through our Manager, we leverage our management team's operational expertise, long-term relationships and industry connections and capital sourcing capabilities to identify, structure and execute on ownership interests in companies with these characteristics.

Our management team has a proven track record of growing industry-leading companies, and we continuously work with and support management teams of the companies we own in managing, operating, and growing their businesses in order to provide value for our shareholders. Bill Foley-led management teams are responsible for the growth of publicly traded companies such as FNF, Black Knight, Inc. ("Black Knight", NYSE: BKI), Ceridian, D&B and Fidelity National Information Services (NYSE: FIS), which collectively have a market capitalization of more than $100 billion.

As of December 31, 2021, we had the following reportable segments:

Dun & Bradstreet. This segment consists of our 15.8% ownership interest in D&B. Dun & Bradstreet is a leading global provider of business decisioning data and analytics. Its mission is to deliver a global network of trust, enabling clients to transform uncertainty into confidence, risk into opportunity and potential into prosperity. Clients embed D&B's trusted, end-to-end solutions into their daily workflows to enhance salesforce productivity, gain visibility into key markets, inform commercial credit decisions and confirm that suppliers are financially viable and compliant with laws and regulations. Dun & Bradstreet's solutions support its clients' mission critical business operations by providing proprietary and curated data and analytics to help drive informed decisions and improved outcomes.

Dun & Bradstreet is differentiated by the scale, depth, diversity and accuracy of its constantly expanding business database that contains comprehensive information on hundreds of millions of businesses. Access to longitudinal curated data is critical for global commerce, and with only a small percentage of the world's businesses filing public financial statements, D&B data is a trusted source for reliable information about both public and private businesses. By building such a set of data over time, D&B was able to establish a unique identifier that creates a single thread connecting related corporate entities allowing its clients to form a holistic view of an enterprise. This unique identifier, which D&B refers to as the D-U-N-S Number, is a corporate ''fingerprint'' or ''Social Security Number'' of businesses. D&B believes that it is the only scale provider to possess both worldwide commercial credit data and comprehensive public records data that are linked together by a unique identifier allowing for an accurate assessment of public and private businesses globally. D&B generates its revenue primarily through subscription-based contractual arrangements that it enters into with its clients to provide data, analytics and analytics-related services either individually, or as part of an integrated offering of multiple services. These arrangements occasionally include offerings from more than one business unit to the same client.

On February 15, 2022, we received additional shares of D&B as partial consideration for our sale of Optimal Blue. See discussion under the header *Optimal Blue* in Item 7 of Part II of this Annual Report for further information. Following the receipt of these additional shares of D&B, we have a 20.5% ownership interest in D&B.

We account for our ownership of Dun & Bradstreet using the equity method of accounting; therefore, its results of operations do not consolidate into ours.

Alight. This segment consists of our 10.0% ownership interest in Alight. Alight is a leading cloud-based provider of integrated digital human capital and business solutions. Alight has an unwavering belief that a company's success starts with its people, and its solutions connect human insights with technology. Leveraging artificial intelligence and data analytics, Alight provides an integrated, personalized experience for employees using technology-driven solutions that aim to unlock value for employers. Alight believes its mission-critical solutions enable employees to enrich their health, wealth and wellbeing, which helps global organizations achieve a high-performance culture. Alight serves more than 30 million employees and family members from a broad range of clients, including Fortune 500 companies and mid-market businesses. Alight seeks to establish high-quality, strong, long-term relationships with its clients.

We account for our ownership of Alight using the equity method of accounting; therefore, its results of operations do not consolidate into ours.

Paysafe. This segment consists of our 8.3% ownership interest in Paysafe. Paysafe provides payment processing solutions through several business lines. These business lines are focused on card not present and card present solutions for small to medium size business merchants, wallet based online payment solutions through Skrill and NETELLER brands and solutions that enable consumers to use cash to facilitate online purchases through its paysafecard prepaid vouchers.

We account for our ownership of Paysafe using the equity method of accounting; therefore, its results of operations do not consolidate into ours.

Restaurant Group. This segment consists of the operations of O'Charley's and 99 Restaurants in which we have 65.4% and 88.5% equity ownership interests, respectively. O'Charley's and 99 Restaurants and their affiliates are the owners and operators of the O'Charley's restaurant and Ninety Nine Restaurants restaurant concepts.

We account for our ownership of the Restaurant Group as a consolidated subsidiary.

Optimal Blue. This segment consists of our 20.0% ownership interest in Optimal Blue. Optimal Blue is a leading provider of secondary market solutions and actionable data services. They operate a software-as-a-service, subscription-based mortgage marketplace, which supports a network of originators and investors in the residential mortgage market. The marketplace provides a broad set of critical functions utilized by banks, credit unions and mortgage brokerage companies throughout the mortgage processing life cycle.

On February 15, 2022, we disposed of all of our ownership interests in Optimal Blue for $144.5 million of cash and 21.8 million shares of D&B common stock. See discussion under the header *Optimal Blue* in Item 7 of Part II of this Annual Report for further information.

We account for our ownership of Optimal Blue using the equity method of accounting; therefore, its results of operations do not consolidate into ours.

AmeriLife. This segment consists of our 19.8% ownership interest in AmeriLife. AmeriLife is a leader in marketing and distributing life, health, and retirement solutions. AmeriLife has partnered with the nation's leading insurance carriers to provide value and quality to customers served through a national distribution network of insurance agents and advisors, marketing organizations, and insurance agency locations.

We account for our ownership of AmeriLife using the equity method of accounting; therefore, its results of operations do not consolidate into ours.

Corporate and Other. This aggregation of nonreportable operating segments consists of our share in the operations of controlled and uncontrolled portfolio companies including our 6.6% ownership interest in Ceridian, 32.6% ownership interest in Sightline, 21.7% ownership interest in Coding Solutions Topco, Inc. ("CorroHealth"), 19.3% voting equity interest in preferred stock of QOMPLX, Inc. ("QOMPLX"), 24.6% equity interest in Triple Tree Holdings, LLC ("Triple Tree"), majority-owned real estate and resort development businesses ("Cannae RE"), interests in sponsors of special purpose acquisition companies ("SPACs") and other various minority equity and debt positions.

Ceridian is a global human capital management software company that offers a broad range of services and software designed to help employers more effectively manage employment processes, such as payroll, payroll-related tax filing, human resource information systems, employee self-service, time and labor management, employee assistance programs, and recruitment and applicant screening. Ceridian's technology-based services are typically provided through long-term customer relationships that are anticipated to result in a high level of recurring revenue.

Sightline Payments is the United States' ("U.S.") sports betting and casino gaming market’s leading digital payments provider and mobile app developer. Sightline leverages cutting-edge technology to apply modern solutions to a traditionally cash-based industry projected to grow significantly over the next few years. While much of the business world shifts to a cashless society, the casino gaming industry is known for being cash dominant. Sightline's mission is to be the preeminent partner in transitioning toward cashless casino gaming. Sightline’s Play+ solution gives consumers a safe, secure, and responsible way to fund their online and in-person gaming activities and enables casinos to offer cashless wagering options across the entire property. With a large and expanding customer base and partners across the sports betting, lottery, racing, and online and brick-and-mortar casino markets, Sightline is uniquely positioned to transform the traditional gaming landscape.

CorroHealth is a joint venture that has various medical coding technology platforms and back office functions supporting the health care revenue and billing cycles and focuses on acquiring and operating synergistic health care services companies in the provider and payer space.

QOMPLX is an intelligent decision and analytics platform used by businesses for modeling and planning. QOMPLX offers an enterprise operating system and application platforms with capabilities ranging from data handling, analytics, and reporting to advanced algorithms, simulations, and machine learning, which have business uses for cybersecurity, insurance underwriting and quantitative finance.

Triple Tree is an independent, research-driven investment banking firm focused on mergers and acquisitions, financial restructuring, and principal investing services for innovative, high-growth businesses in the healthcare industry.

Cannae RE and its subsidiaries own and operate golf and real estate properties and develop, manage and operate residential and recreational properties, including a 1,800-acre ranch-style luxury resort and residential community in Oregon.

Refer to Item 7 of Part II of this Annual Report for further information on recent results of operations and transactions and other activity of our operating segments.

Strategy and Business Trends

Our strategy for the Company is to continue to manage and operate the diversified businesses of our group of companies to create long-term growth of those businesses in order to maximize the value of those businesses for our shareholders, and to pursue similar strategies and objectives when taking significant ownership stakes in new businesses.

Dun & Bradstreet. We believe that Dun & Bradstreet has an attractive business model that is underpinned by highly recurring, diversified revenues, significant operating leverage, low capital requirements and strong free cash flow. The proprietary and embedded nature of its data and analytics solutions and the integral role that D&B plays in its clients’ decision-making processes have translated into high client retention and revenue visibility. D&B has had relationships with most of its top clients by revenue for more than 20 years, which reflects how deeply embedded D&B is in its clients' daily workflows and decisioning processes. D&B exhibits strong annual revenue retention rates and substantially all of its clients are recurring year over year. Dun & Bradstreet also benefits from strong operating leverage given its centralized database and solutions, which allows it to generate strong contribution margins and free cash flow.

Subsequent to our acquisition of an ownership stake in D&B in the first quarter of 2019, we worked closely with D&B to begin quickly implementing changes to address operational and execution issues at D&B that led to stagnant revenue growth and declining profitability over the last decade. We immediately brought in a new senior leadership team, which commenced a comprehensive transformation to improve and revitalize D&B's business for long-term success. The new senior leadership team saw significant opportunity to create value by transforming the organization and improving the platform with new business unit leaders, enhanced technology and data, solution innovation and a client-centric go-to-market strategy.

D&B's transformation strategy is based on Bill Foley's proven playbook of enhancing stockholder value through organizational re-alignment and re-investment. Initiatives implemented at D&B upon its 2019 leveraged buyout have resulted in over $240 million of net annualized run-rate savings. In light of the changes that have been made or identified by the Company and D&B's management team, we believe D&B is well-positioned to execute on its strategies of driving stockholder value through consistent revenue growth, managing cost initiatives and innovating and improving the way it adds value and solves the increasingly challenging and complex needs of its clients.

Businesses rely on business-to-business data and analytics providers to extract data-driven insights and make better decisions. For example, in commercial lending and trade credit, the scarcity of readily available credit history makes the extension of credit a time-consuming and imprecise process. In procurement, businesses face increasingly complex and global supply chains, making the assessment of compliance and viability of all suppliers prohibitively difficult and expensive if not conducted effectively. In sales and marketing, businesses have benefited from the proliferation of customer relationship management, Marketing Automation and Sales Acceleration tools designed to help identify, track and improve both customer management and prospecting growth activities. While these tools are helping to fill sales funnels and improve the progression of opportunities, key challenges remain in salesforce productivity, effective client segmentation and marketing campaign activation. Common stumbling blocks include incorrect, or outdated, contact information, duplicated or inaccurate firmographic data and a lack of synchronization between the various platforms in the marketing technology ecosystem.

D&B helps its clients solve these mission critical business problems. D&B believes the total addressable market (‘‘TAM’’) in which it operates is large, growing and significantly underpenetrated. D&B participates in the big data and analytics software market, as defined by Interactive Data Corporation, or IDC, which represents a collection of software markets that functionally address decision support and decision automation. This market includes business intelligence and analytics tools, analytic data management and integration platforms and analytics and performance management applications. Within the broader market of data and analytics solutions, D&B serves a number of different markets, including the commercial credit data, sales and marketing data and Governance, Risk and Compliance ("GRC") markets to provide clients with decisioning support and automation. As D&B continues to drive innovation in its solutions, it expects to address a greater portion of this TAM as new use cases for its data assets and analytical capabilities are introduced.

D&B believes there are several key trends in the global macroeconomic environment generating additional growth in D&B's TAM and increasing the demand for its solutions, including growing recognition by business of the value of analytics and data-informed business decisioning, growth in data creation and applications driven by the proliferation of new technologies with new data sets and applications, advances in analytical capabilities that are unlocking the value of data, and heightened compliance requirements in the regulatory environment for business driven by the growth of new technologies.

Alight. There are many factors today impacting how organizations can succeed and thrive in the future. Employees are facing increasing complexity around healthcare and retirement, and the burden of additional financial responsibility from healthcare costs being shifted from employers to employees. We believe these trends have driven the need for integrated, personalized tools to help them make informed decisions. Employers are facing ever-changing workforce regulations and evolving dynamics across the employer/employee relationship, driving the need for flexibility, engagement and effective solutions for compliance. We believe Alight is uniquely positioned between the employer and employee to address these factors to ultimately drive better outcomes for both.

Alight aims to be the pre-eminent employee engagement partner by providing personalized experiences that help employees make the best decisions for themselves and their families about their health, wealth and wellbeing every day. At the same time, Alight helps employers tackle their biggest people and business challenges by helping them understand prevalence, trends and risks to generate better outcomes for the future and get a return on their people investment. Using data, analytics and AI, Alight derives actionable insights to deliver the business and people outcomes organizations need. Alight provides solutions to manage health and retirement benefits, tools for payroll and HR management, as well as solutions to manage the workforce from the cloud.

Paysafe. Paysafe empowers over 15 million active users in more than 120 countries and over 250,000 businesses across the United States, Canada and Europe to conduct secure and friction-less commerce across online, mobile, in-app and in-store channels, generating over 75% of its revenue from Online and Integrated Commerce solutions. Paysafe focuses on specialized and high-risk verticals, including iGaming (which encompasses a broad selection of online betting related to sports, esports, fantasy sports, poker and other casino games) and Emerging Markets (which include stock, FX and crypto trading, direct marketing, which can include nutraceuticals and multi-level marketing, travel and entertainment, integrated payments and digital goods). Paysafe believes that an increasing percentage of digital commerce around the world is becoming overly complex for traditional retail payment services, many of which still use legacy business processes and technologies that were developed 10 or more years ago to address an earlier generation of eCommerce. These legacy platforms lack the specialized functionality, sophisticated risk management and robust regulatory compliance infrastructures that Paysafe believes are required to address this large and fast-growing area of the market.

To address this opportunity, Paysafe has developed a suite of innovative, proprietary digital commerce solutions that it deploys across its network, a unique combination of Business to Business ("B2B") and Business to Consumer ("B2C") relationships. These solutions are intended to help (1) solve the complexities of facilitating digital commerce, (2) remove significant friction and pain points from the customer experience, (3) enable Paysafe's business and consumer clients to transact in a faster, safer and more convenient manner and (4) help its business customers grow their operations by bringing active users to their platforms. Paysafe's solutions extend well beyond the basic card-based payments functionality of traditional payment vendors and target an addressable market that is over 2x larger by providing the advanced capabilities of digital wallets, alternative payment methods ("APMs") and digital currency transactions.

Restaurant Group. Our restaurant operations are focused in the casual dining segment of the restaurant industry. The Restaurant Group's strategy is to achieve long-term profit growth and drive increases in same store sales and guest counts. We have a highly experienced management team that is focused on enhancing the guest experience at our restaurants and building team member engagement. We also utilize a shared service platform that takes advantage of the combined back-office synergies of our restaurant operating companies. Our goal is to maintain a strong balance sheet for our Restaurant Group to provide stability in all operating environments.

The restaurant industry is highly competitive and is often affected by changes in consumer tastes and discretionary spending patterns; changes in general economic conditions; public safety conditions or concerns; demographic trends; weather conditions; the cost of food products, labor, energy and other operating costs; and governmental regulations. Higher labor costs due to state and local minimum wage increases and shopping pattern shifts to e-commerce and “ready to eat” grocery and convenience stores have had a negative impact on restaurant performance, particularly in the casual dining restaurants in which the company operates.

The restaurant industry is also characterized by high capital investments for new restaurants and relatively high fixed or semi-variable restaurant operating expenses. Because of the high fixed and semi-variable expenses, changes in sales in existing restaurants are generally expected to significantly affect restaurant profitability because many restaurant costs and expenses are not expected to change at the same rate as sales. The most significant commodities that may affect our cost of food and beverage are beef, seafood, poultry, and dairy, which accounted for approximately half of our overall cost of food and beverage in the past. Generally, temporary increases in these costs are not passed on to guests; however, in the past, we have adjusted menu prices to compensate for increased costs of a more permanent nature.

Average weekly sales per restaurant are typically higher in the first and fourth quarters than in other quarters, and we typically generate a disproportionate share of our earnings from operations in the first and fourth quarters. Holidays, severe weather and other disruptive conditions may impact sales volumes seasonally in some operating regions.

Our revenues in future periods will continue to be subject to these and other factors that are beyond our control and, as a result, are likely to fluctuate.

Acquisitions, Dispositions, Minority Owned Operating Affiliates and Financings. Acquisitions are an important part of our growth strategy and dispositions, which we expect will continue to be infrequent, are used when the Company identifies opportunities to re-allocate its capital to owning, managing, and operating new companies that provide our shareholders with prudent risk-based returns on their own investment in the Company. On an ongoing basis, with assistance from our Manager and outside advisors, we actively evaluate possible transactions to enhance the value of the companies we own, such as acquisitions of business units and operating assets and business combination transactions.

We primarily engage in various lines of business through long-term ownership together with control or significant influence of companies, though in the future we may seek to sell certain subsidiaries or other assets as part of our capital reallocation initiatives. Further, we may make acquisitions in lines of business that are not directly tied to, or synergistic with, our current operating segments. While we primarily own interests in companies that we controls or have the ability to significantly influence the operations of, we have allocated, and expect to allocate in the future, a smaller portion of our capital to minority ownership stakes in companies over which we do not exercise significant influence or have control.

There can be no assurance that any suitable opportunities will arise or that any particular transaction will be completed. We have made a number of acquisitions and dispositions over the past several years to strengthen and expand the service offerings and customer bases of our businesses, to expand or re-allocate our capital by acquiring significant equity ownership of other businesses or where we otherwise saw value.

Special Purpose Acquisition Companies. In 2020 and early 2021, we made investments in the sponsors of, and forward purchase commitments to purchase equity of, five SPACs. SPACs are companies formed for the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination with one or more businesses.

The following summarizes the Company's equity investments and commitments by SPAC entity:

SPAC	IPO Date	Target	Business Combination Date	Cannae Invested Capital or Purchase Commitment (1)
Foley Trasimene Acquisition Corp. II ("FTAC II")	August 21, 2020	Paysafe	March 30, 2021	$ 519.0
Foley Trasimene Acquisition Corp. ("FTAC")	May 29, 2020	Alight	July 2, 2021	440.5
Trebia Acquisition Corp. ("Trebia")	June 19, 2020	System1	January 27, 2022	248.3
Austerlitz Acquisition Corporation ("AAI")	March 2, 2021	(2)	(2)	—
Austerlitz Acquisition Corporation II ("AAII")	March 2, 2021	(2)	(2)	125.0

(1) For SPACs with a completed business combination, represents Cannae's total invested capital. For SPACs seeking to consummate business combinations, represents Cannae's commitment as of the date of this Annual Report to purchase equity of the listed SPAC and its target upon consummation of each SPACs initial business combination.
(2) Listed SPAC is seeking a target as of the date of this Annual Report.

We believe SPACs are an efficient means for private entities to go public and a unique opportunity for companies to partner with sponsors who provide invaluable industry, operational and capital market experience. We believe our ownership in the SPACs sponsored or co-sponsored by Trasimene and led by our chairman Bill Foley provide an opportunity for Cannae to participate in the management, operation, growth and transformation of businesses with compelling characteristics similar to other of our management team's prior business acquisitions, including those at Dun & Bradstreet, FNF, Black Knight and Ceridian. The sponsors intend to focus on prospective target businesses that have unseen potential for revenue growth and/or operating margin expansion with high recurring revenue and cash flow, defensible intellectual property and strong market positions within their industries.

The volume of total SPACs outstanding and in the market searching for business combination partners increased significantly in second half of 2020 and early 2021. We and our Manager are committed to finding quality businesses as business combination partners for AAI and AAII (collectively, our "Active SPACs") that meet our stringent criteria. Our Active SPACs have two years from the date of their IPOs to complete a business combination.

COVID-19. In March 2020, the outbreak of COVID-19 was declared a national health emergency in the United States and worldwide. As a result of the unprecedented social restrictions related to COVID-19, our Restaurant Group brands experienced a significant reduction in guest counts beginning in the last two weeks of March 2020 and continuing through the end of the year. In response to the outbreak and these changing conditions, our Restaurant Group brands closed the dining rooms in substantially all of our restaurants in late March 2020 with substantially all remaining closed to dine in customers through early May 2020. During such time, most of our restaurants were solely operating to-go and delivery services in the jurisdictions where government regulations permitted restaurants to continue to operate and where the guest demand made such operations sustainable. We temporarily closed certain restaurants, modified work hours for our Restaurant Group employees and identified and implemented cost savings measures throughout our Restaurant Group operations.

Timing of reopening stores and resulting guest traffic has varied by jurisdiction. In the second half of 2020, our Restaurant Group experienced a gradual increase in guest traffic and revenues compared to the first half of 2020; however, the volume of customers visiting our stores remained below our historical levels through December 31, 2020. We experienced an increase in revenues from to-go and delivery sales from historical experience; however, comparable store sales across all of our restaurant brands remained depressed compared to previous years through the first quarter of 2021.

Coinciding with the first available vaccines for COVID-19 in December 2020, capacity restrictions on dining rooms began to ease in most jurisdictions in which our Restaurant Group operates. Furthermore, the U.S. government provided significant stimulus to consumers through direct payments to U.S. citizens. Through the first quarter of 2021, we were still operating a limited number of restaurants with restricted capacity. In light of recent spread of new variants of COVID-19, uncertainty remains regarding the continued rate of immunization in the public, timing of an economic recovery, and changed guest decision-making with regard to dining in restaurants. Through the year ended December 31, 2021, we experienced increases in same store sales compared to the corresponding period in 2020. However, same store sales remain lower compared to the corresponding period in 2019.

The COVID-19 outbreak and these responses have affected and, with the unpredictable impact of future variants of COVID-19, may continue to adversely affect our Restaurant Group brands' guest traffic, sales and operating costs. See further discussion of the impact of COVID-19 on our Restaurant Group in the *Results of Operations* subsection in Item 7 of Part II of this Annual Report. See Item 1A of Part I of this Annual Report for further discussion of risk factors related to COVID-19.

Competition

Dun & Bradstreet. Dun & Bradstreet primarily competes on the basis of differentiated data sets, analytical capabilities, solutions, client relationships, innovation and price. D&B believes that it competes favorably in each of these categories across its business segments. D&B's competitors vary based on the client size and geographical markets that its solutions cover.

For Dun & Bradstreet's finance and risk solutions segment, its competition generally varies by client size. D&B has a leading presence in the enterprise market as clients place a high degree of value on our best-in-class commercial credit database to inform their critical decisions around the extension of credit. D&B’s main competitors in the enterprise and mid-market include Bureau van Dijk (owned by Moody’s Corporation) in Europe and Equifax and Experian in North America. In the small and mid-size company market, commercial credit health becomes increasingly tied to consumer credit health. D&B's competition in this market generally includes Equifax, Experian and other consumer credit providers that offer commercial data. Additionally, there is a fragmented tail of low cost, vertical and regionally focused point solutions in this market that may be attractive to certain clients, but lack the scale and coverage breadth to compete holistically.

For Dun & Bradstreet's sales and marketing solutions segment, its competition has historically been very fragmented with many players offering varying levels of data quantity and quality, and with data being collected in ways that may cross ethical and privacy boundaries. Dun & Bradstreet strives to protect the data and privacy of its clients and to maintain the highest standards in the ethical acquisition, aggregation, curation and delivery of data. D&B's direct competitors vary depending on use cases, such as market segmentation, digital marketing lead generation, lead enrichment, sales effectiveness and data management. In the market for contact data, D&B's competition generally includes ZoomInfo and a few consultancies building bespoke solutions. For other sales and marketing solutions such as customer data platform, visitor intelligence, audience targeting and intent data, D&B faces a number of smaller competitors.

Overall, outside North America, D&B's competitive environment varies by region and country, and can be significantly impacted by the legislative actions of local governments, availability of data and local business preferences. In the United Kingdom and Ireland, D&B's direct competition for its finance and risk solutions segment is primarily from Bureau van Dijk, Creditsafe and Experian. Additionally, in D&B's sales and marketing solutions segment, the landscape in these markets is both localized and fragmented, where numerous local players of varying sizes compete for business. In Asia Pacific, D&B faces competition in its finance and risk solutions segment from a mix of local and global providers. D&B competes with Sinotrust International Information & Consulting (Beijing) Co., Ltd., in China and local competitors in India. In addition, as in the United Kingdom, D&B's sales and marketing solutions landscape throughout Asia is localized and fragmented.

Alight. The markets for Alight's solutions are competitive, rapidly evolving and fragmented. Its business faces competition from other global and national companies. The markets for Alight's solutions are subject to change as a result of economic, regulatory and legislative changes, technological developments, shifting client needs and increased competition from established and new competitors. We do not believe there is any single competitor with the breadth of Alight's solutions, and thus Alight's competitors vary for each of its solutions. Alight competes primarily on the basis of product and service quality, technology, breadth of offerings, ease of use and accessibility of technology, data protection, innovation, trust and reliability, price, and reputation.

Paysafe. The global payments industry is highly competitive, rapidly changing, highly innovative and increasingly subject to regulatory scrutiny and oversight. Paysafe competes against a wide range of businesses, including businesses that are larger than it is, have a dominant and secure position, or offer other products and services to consumers and merchants that Paysafe does not offer, as well as smaller companies that may be able to respond more quickly to regulatory and technological changes than Paysafe can. Paysafe competes against all forms of payments, including credit and debit cards; automated clearing house and bank transfers; other online payment services, local alternative payment methods, and digital wallets; mobile payments; cryptocurrencies and distributed ledger technologies; and offline payment methods, including cash and check. Paysafe also competes against banks, merchant acquirers, and third-party payment processors. Paysafe competes primarily on the basis of brand recognition, distribution network and channel options, convenience, variety of payment methods, product and service offerings, customer service for both consumers and merchants, trust and reliability, speed, data protection and security, price and innovation.

Restaurant Group. The restaurant industry is highly competitive and is often affected by changes in consumer tastes. Competition for our restaurant brands varies by location. In general, our restaurant brands compete within each market with national and regional chains and locally-owned restaurants for guests, management and hourly personnel and suitable real estate sites. Restaurants are increasingly competing with grocery stores who are expanding their offerings of quick serve, ready-made meals and meal kits and with meal kit delivery services, which have increased market share over the last couple years. We expect to continue to compete in these areas.

Competitive Strengths

Proven management team. Our Board and executive management team, led by Bill Foley, has a proven track record of identifying, acquiring, managing and operating businesses. Bill Foley has led the creation of several multi-billion dollar companies with hundreds of acquisitions across diverse platforms, including, FNF, Fidelity National Information Services, Inc., Black Knight, Ceridian, and D&B. Our Board and executive management's breadth of knowledge of operational matters and capital markets allows us to identify companies and strategic assets with attractive value propositions, to structure acquisitions to maximize the value acquired businesses, and to return the value created to our shareholders through long-term profitable operation of those businesses and, when appropriate, dispositions. We believe the Externalization under the Management Services Agreement enhances our executive management team’s ability to provide these services.

Intellectual Property

Dun & Bradstreet. D&B owns and controls various intellectual property rights, such as trade secrets, confidential information, trademarks, service marks, tradenames, copyrights, patents and applications to the foregoing. These rights, in the aggregate, are of material importance to Dun & Bradstreet's business. D&B believes that the Dun & Bradstreet name and related tradenames, marks and logos are also of material importance to its business. Dun & Bradstreet is licensed to use certain technology and other intellectual property rights owned and controlled by others, and other companies are licensed to use certain technology and other intellectual property rights owned and controlled by it. Dun & Bradstreet's trademarks, service marks, databases, software, copyrights, patents, patent applications and other intellectual property are proprietary and accordingly it relies on a combination of statutory (e.g., copyright, trademark, trade secret, patent, etc.) and contract and liability safeguards for protecting them throughout the world.

Dun & Bradstreet owns patents and patent applications both in the U.S. and in other selected countries. The patents and patent applications include claims, which pertain to certain technologies and inventions that D&B has determined are proprietary and warrant patent protection. The protection of its innovative technology and inventions, such as its proprietary methods for data curation and identity resolution, through the filing of patent applications, is part of Dun & Bradstreet's business strategy. Filing of patent applications may or may not provide Dun & Bradstreet with a dominant position in the fields of technology. However, these patents and/or patent applications may provide Dun & Bradstreet with legal defenses should subsequent patents in these fields be issued to third-parties and later asserted against it. Where appropriate, Dun & Bradstreet may also consider asserting or cross-licensing its patents.

Alight. Alight's intellectual property portfolio is comprised of various copyrights (including copyrights in software) and trademarks, as well as certain trade secrets or proprietary know-how of its business. Alight's success has resulted in part from its proprietary methodologies, process and other intellectual property, such as certain of its platforms. However, any of Alight's proprietary rights could be challenged, invalidated or circumvented, or may not provide significant competitive advantages.

Alight's business relies on software provided by both internal development and external sourcing to deliver its services. With respect to internally developed software, Alight claims copyright on all such software, registering works where appropriate. Alight requires all employees and contractors to assign to it the rights to works developed on Alight's behalf. In addition, Alight relies on maintaining source code confidentiality to maintain its market competitiveness. With respect to externally sourced software, Alight relies on contracts to allow for continued access for its business usage.

In the United States, trademark registrations may have a perpetual life, subject to continuous use and renewal every ten years, and may be subject to cancellation or invalidation based on certain use requirements and third-party challenges, or on other grounds. Alight vigorously enforces and protects its trademarks.

Paysafe. Paysafe relies upon a combination of copyrights, trade secrets, trademarks, license agreements, confidentiality policies and procedures, nondisclosure agreements and technical measures designed to protect the intellectual property and commercially valuable confidential information and data used in its business in jurisdictions around the world. Paysafe seeks to protect its intellectual property rights by relying on applicable laws and regulations in the United States and internationally, as well as a variety of administrative procedures. Paysafe also relies on contractual restrictions to protect its proprietary rights when offering or procuring products and services. Paysafe has not applied for any patents in respect of its electronic payment processing systems and cannot give assurances that any patent applications will be made or that, if they are made, they will be granted. Additionally, it is possible that third parties, including its competitors, may obtain patents relating to technologies that overlap or compete with Paysafe's technology. If third parties obtain patent protection with respect to such technologies, they may assert that Paysafe's technology infringes their patents and seek to charge Paysafe a licensing fee or otherwise preclude Paysafe from using its technology.

Restaurant Group. We regard our Restaurant Group's service marks, including "O'Charley's", "Ninety Nine" and other service marks and trademarks as important factors in the marketing of our restaurants. In the year ended December 31, 2021, we sold our previously held "Legendary Baking" and "Village Inn" trademarks. We have also obtained trademarks for several of our brands' menu items and for various advertising slogans. We are aware of names and marks similar to our Restaurant

Group's service marks and trademarks used by other persons in certain geographic areas where we have restaurants. However, we believe such uses will not adversely affect us. Our policy is to pursue registration of our marks whenever possible and to oppose vigorously any infringement of our marks.

We license the use of our registered trademarks and service marks to franchisees and third parties through franchise arrangements and licenses. The franchise and license arrangements restrict franchisees' and licensees' activities with respect to the use of our trademarks and service marks, and impose quality control standards in connection with goods and services offered in connection with the trademarks and service marks.

Government Regulation

Paysafe. Laws and regulations in jurisdictions around the world apply to many key aspects of Paysafe's business. Any actual or perceived failure to comply with these requirements may result in, among other things, revocation of required licenses or registrations, loss of approved status, private litigation, regulatory or governmental investigations, administrative enforcement actions, sanctions (including public fines), civil and criminal liability, public censures and constraints on Paysafe's ability to continue to operate, as well as potentially adverse effects on its brand and position with respect to competitors. It is also possible that current or future laws or regulations could be interpreted or applied in a manner that would prohibit, alter, or impair Paysafe's existing or planned products and services, or that could require costly, time-consuming, or otherwise burdensome compliance measures from Paysafe. The laws and regulations applicable to the payments industry in any given jurisdiction are subject to interpretation and change.

Paysafe's payment networks are primarily subject to regulation in Europe under the Financial Conduct Authority and the Central Bank of Ireland and in the U.S. under the Consumer Financial Protection Bureau, Federal Trade Commission Act and the U.S. Department of Treasury Financial Crimes Enforcement Network. Paysafe has extensive internal regulatory compliance oversight functions which monitor compliance with the laws and regulations applicable in the jurisdictions in which Paysafe is licensed and in which they operate.

Information Security

We and our unconsolidated affiliates are highly dependent on information technology networks and systems to securely process, transmit and store electronic information. Attacks on information technology systems continue to grow in frequency, complexity and sophistication. Such attacks have become a point of focus for individuals, businesses and governmental entities. These attacks can create system disruptions, shutdowns or unauthorized disclosure of confidential information, including non-public personal information, consumer data and proprietary business information.

We and our unconsolidated affiliates remain focused on making strategic investments in information security to protect the clients and information systems of our operating subsidiaries and unconsolidated affiliates. This includes both capital expenditures and operating expenses on hardware, software, personnel and consulting services. As the primary products and services of our operating subsidiaries and unconsolidated affiliates evolve, we apply a comprehensive approach to the mitigation of identified security risks. We have established risk management policies, including those related to information security and cybersecurity, designed to monitor and mitigate information security related risks.

Human Capital Resources

Employees

As of December 31, 2021, Cannae and our consolidated subsidiaries had 12,938 employees, which includes 12,779 in our Restaurant Group and 159 in the various consolidated businesses comprising our Corporate and other segment. None of our employees are unionized or represented by any collective agency. We believe that our relations with employees are generally good.

Our Manager and Cannae LLC rely on the experience and expertise of a small number of highly qualified employees which make up our corporate management team. We continually assess our management team's capabilities and capacity with a view toward the long term sustainability of the Company's operations.

Diversity

Diversity is a key component of our success, both at Cannae and within our portfolio companies. We stand committed to our philosophy that all employees deserve an inclusive workplace, one where each employee feels heard and empowered. We believe that the diversity of our employees and directors provides a variety of ideas and perspectives that allow us to achieve superior business results. Cannae and Cannae’s portfolio companies are committed to being equal opportunity employers and enhancing diversity and inclusion across our businesses. Cannae’s Code of Conduct & Ethics prohibits discrimination and harassment. Our nondiscrimination policy is distributed to all employees as part of our employee handbook, which employees must acknowledge annually. Our employees participate in annual programs including: Code of Business Conduct and Ethics Training, and Reporting Harassment: Everyone’s Responsibility Training.

Board Diversity

In 2019, our board codified its commitment to diversity when selecting new director nominees, including candidates with a diversity of age, gender, nationality, race, ethnicity, and sexual orientation by integrating this language into the director selection criteria in our Corporate Governance Guidelines. As of December 2021, four out of eleven directors identify themselves as diverse.

Sustainability

Cannae recognizes that in our rapidly changing global economy, the management of Environmental, Social, & Governance (“ESG”) risks and opportunities is important for our long-term business success. Our Company and our board are committed to addressing ESG issues to better serve our employees, business partners, and the communities where we live and work. Cannae aims to achieve superior financial performance for shareholders and maximize the value of our assets while mitigating risk, and manage our business in an environmentally responsible, socially responsible, and ethical manner.

To honor that commitment at the highest levels of the Company, our management team leads our ESG efforts. Our board of directors’ audit committee reviews these efforts.

Our ESG efforts are focused on:

Responsible Investment. ESG is embedded across Cannae’s investment approach: from our due diligence in investment selection, to our value creation partnerships. We manage ESG issues in our investments to help Cannae generate stronger returns for our shareholders while improving our impact on society. Dun & Bradstreet is enhancing responsible business practices through automated solutions. Ceridian is focused on helping organizations enhance human capital management while supporting the communities where employees live and work through Ceridian Cares, an employee-driven charity. Alight is committed to helping companies care for their biggest asset – their people—by empowering workers and their families to make confident decisions around their health, wealth and wellbeing. The Restaurant Group is building inclusive workplaces while driving community outcomes in the areas where we operate. Our companies each have unique impacts, and we are working to further formalize and enhance the management of ESG across our entire portfolio.

Preserving the Environment. Cannae recognizes the importance of conducting business in an environmentally responsible manner and integrating responsible environmental management practices into our operations. We are continually improving our environmental management practices at our Las Vegas headquarters. From efforts to reduce water consumption and participate in recycling programs, we are working to reduce our environmental impact.

Supporting Our Employees and Communities. Cannae is dedicated to serving our employees and their families, building a diverse and inclusive workplace, and supporting our local communities. We value our talented workforces and the outstanding contributions our employees make each day. We are dedicated to attracting, developing, and retaining talented teams through competitive compensation and benefits, and building a diverse and inclusive workplace. Cannae believes in the importance of volunteerism and philanthropy to strengthen and engage local communities across our portfolio companies. Through local community involvement, corporate initiatives, and philanthropic giving – as well as an active community volunteer ethos – we work hard each day to support the communities we all live in.

Operating Ethically. Cannae is committed to strong governance systems and policies that ensure fair, transparent, and efficient business practices. Our reputation for integrity is one of our most important assets and each of our employees and directors is expected to contribute to the care and preservation of that asset. We operate in ways that are fair, transparent, and compliant with all applicable regulations. We implement strong governance practices, policies, training, and reporting avenues to encourage and promote that all employees adhere to the highest standards for business integrity.

For further details on our ESG program and progress, please see the investor relations page of our website.

Statement Regarding Forward-Looking Information

The statements contained in this Annual Report or in our other documents or in oral presentations or other statements made by our management that are not purely historical are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act") including statements regarding our expectations, hopes, intentions, or strategies regarding the future. These statements relate to, among other things, future financial and operating results of the Company. In many cases, you can identify forward-looking statements by terminology such as "may," "will," "should," "expect," "plan," "anticipate," "believe," "estimate," "predict," "potential," or "continue," or the negative of these terms and other comparable terminology. Actual results could differ materially from those anticipated in these statements as a result of a number of factors, including, but not limited to the following:

- changes in general economic, business, and political conditions, including changes in the financial markets and changes in conditions resulting from the outbreak of a pandemic such as COVID-19;

- compliance with extensive government regulation of our operating subsidiaries and adverse changes in applicable laws or regulations or in their application by regulators;
- the effects of the Externalization and the Management Services Agreement;
- loss of key personnel that could negatively affect our financial results and impair our operating abilities;
- our potential inability to find suitable acquisition candidates, as well as the risks associated with acquisitions in lines of business that will not necessarily be limited to our traditional areas of focus, or difficulties integrating acquisitions;
- other risks detailed in "Risk Factors" below and elsewhere in this document and in our other filings with the SEC.

We are not under any obligation (and expressly disclaim any such obligation) to update or alter our forward-looking statements, whether as a result of new information, future events or otherwise. You should carefully consider the possibility that actual results may differ materially from our forward-looking statements.

Additional Information

The Company's Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to reports filed pursuant to Sections 13(a) and 15(d) of the Exchange Act, are filed with the Securities and Exchange Commission (the "SEC"). The Company is subject to the informational requirements of the Exchange Act and files or furnishes reports, proxy statements and other information with the SEC. The SEC maintains an internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC at www.sec.gov.

Our website address is www.cannaeholdings.com. We make available free of charge on or through our website our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and all amendments to those reports filed or furnished pursuant to the Exchange Act as soon as reasonably practicable after such material is electronically filed with or furnished to the SEC. However, the information found on our website is not part of this or any other report.

Item 1A. *Risk Factors*

In the course of conducting our business operations, we are exposed to a variety of risks, some of which are inherent in our industry and others of which are more specific to our own businesses. In addition to the other information set forth in this Annual Report and other filings we have made and make in the future with the SEC, you should carefully consider the following risk factors and uncertainties, which could materially affect our business, financial condition or results of operations in future periods. However, other factors not discussed below or elsewhere in this Annual Report could also adversely affect our businesses, results of operations and financial condition. Therefore, the risk factors below should not be considered a complete list of potential risks that we may face.

Risks Relating to the Company's Structure

We may become subject to the Investment Company Act of 1940.

We do not believe that we are subject to regulation under the Investment Company Act of 1940, as amended (the “40 Act”). We primarily acquire interests in operating companies and are engaged in actively managing and operating a core group of those companies, which we are committed to supporting for the long-term. Our officers, the Manager and any employees who provide services to us pursuant to the terms of our corporate services agreement with FNF devote their activities to these businesses. Based on these factors, we believe that we are not an investment company under the 40 Act, including under Section 3(b)(1) of the 40 Act, and we intend to continue to conduct our operations so that we will not be deemed an investment company. If, at any time, we become or are determined to be primarily engaged in the business of investing, reinvesting or trading in securities, we could become subject to regulation under the 40 Act. In these circumstances, after giving effect to any applicable grace periods, we may be required to register as an investment company, which could result in significant registration and compliance costs, could require changes to our corporate governance structure and financial reporting, and could restrict our activities going forward. In addition, if we were to become subject to the 40 Act, any violation of the 40 Act could subject us to material adverse consequences, including potentially significant regulatory penalties and the possibility that certain of our contracts would be deemed unenforceable.

Certain executive officers and members of our Board of Directors have or will have interests and positions that could present potential conflicts.

Certain executive officers and members of our Board serve on the boards of directors of other entities or are employed by other entities, including but not limited to D&B, Trasimene, Alight, Paysafe, FNF, Black Knight or our Active SPACs.

As a result of the foregoing, there may be circumstances where certain executive officers and directors may be subject to conflicts of interest with respect to, among other things: (i) our ongoing relationships with D&B, Trasimene, Alight, Paysafe, FNF or our Active SPACs; (ii) business opportunities arising for any of us, D&B, Trasimene, Alight, Paysafe, FNF, Black Knight or our Active SPACs; and (iii) conflicts of time with respect to matters potentially or actually involving or affecting us. For example, from time to time, we may enter into transactions with D&B, Trasimene, Alight, Paysafe, FNF or Black Knight and/or their respective subsidiaries or other affiliates. There can be no assurance that the terms of any such transactions will be as favorable to our company or any of our respective subsidiaries or affiliates as would be the case where there is no overlapping director.

We have in place a code of business conduct and ethics prescribing procedures for managing conflicts of interest and our risk management and compliance functions and our audit committee are responsible for the review, approval or ratification of any potential conflicts of interest transactions. Additionally, we expect that interested directors will abstain from decisions with respect to conflicts of interest as a matter of practice. However, there can be no assurance that such measures will be effective, that we will be able to resolve all potential conflicts or that the resolution of any such conflicts will be no less favorable to us than if we were dealing with an unaffiliated third party.

Refer to Note R to the Notes to Consolidated Financial Statements for more information related to our related party relationships and transactions with FNF and our Manager.

Risks Relating to the Externalization and Our Manager

The Management Service Agreement was negotiated between related parties and the terms, including fees payable, may not be as favorable to us as if it were negotiated with an unaffiliated third party.

Because our Manager is owned by certain of our directors and executive officers, the Management Services Agreement was developed by related parties, although our independent directors reviewed and approved the Management Services Agreement. The terms of the Management Services Agreement, including fees payable, may not reflect the terms we may have received if it was negotiated with an unrelated third party. In addition, particularly as a result of our relationship with the principal owners of the Manager, who are certain directors and members of our management team, our independent directors may determine that it is in the best interests of our shareholders not to enforce, or to enforce less vigorously, our rights under the Management Services Agreement because of our desire to maintain our ongoing relationship with our Manager.

Our executive officers, directors and Manager may allocate some of their time to other businesses, thereby causing conflicts of interest in their determination as to how much time to devote to our affairs, which may materially adversely affect our results of operations.

While the members of our management team anticipate devoting a substantial amount of their time to the affairs of the Company, our executive officers, directors, Manager and other members of our management team may engage in other business activities. This may result in a conflict of interest in allocating their time between our operations and our management and the operations of other businesses. Their other business endeavors may involve related or unrelated parties. Conflicts of interest that arise over the allocation of time may not always be resolved in our favor and may materially adversely affect our results of operations.

Conflicts of interest could arise in connection with certain of our directors' and executive officers' discharge of fiduciary duties to our shareholders.

Certain of our directors and executive officers are members of the Manager. Such persons, by virtue of their positions with us, have fiduciary duties to us and our shareholders. The duties of such persons as directors or executive officers to us and our shareholders may conflict with the interests of such persons in their capacities as members or employees of the Manager.

Our Manager and members of our management team may engage in activities that compete with us or our businesses.

While the members of our management team intend to devote a substantial majority of their time to the affairs of the Company, and while our Manager currently does not manage any other businesses that are in lines of business similar to our businesses, neither our management team nor our Manager is expressly prohibited from investing in or managing other entities, including those that are in the same or similar line of business as our businesses, or required to present any particular acquisition or business opportunity to the Company. In this regard, the Management Services Agreement and the obligation thereunder to provide management services to us will not create a mutually exclusive relationship between our Manager, on the one hand, and the Company, on the other.

We cannot remove our Manager solely for poor performance, which could limit our ability to improve our performance and could adversely affect the market price of our shares.

Under the terms of the Management Services Agreement, our Manager may not be removed as a result of underperformance. Instead, the Company may only remove our Manager in certain limited circumstances or upon a vote by a majority of the Company's Board of Directors to terminate the Management Services Agreement. This limitation could adversely affect the market price of our shares.

Our Manager can resign on 180 days' notice, subject to a limited extension, and we may not be able to find a suitable replacement, resulting in a disruption in our operations that could materially adversely affect our financial condition, business and results of operations as well as the market price of our shares.

Our Manager has the right, under the Management Services Agreement, to resign at any time on 180 days' written notice, whether we have found a replacement or not, subject to the Company's right to extend such period by an additional 180 days or until a replacement manager has been in place for 30 days, if no replacement manager has been found by the 150th day following the Manager's notice of resignation. If our Manager resigns, we may not be able to contract with a new manager or hire internal management with similar expertise and ability to provide the same or equivalent services on acceptable terms within 180 days (subject to possible extension), or at all, in which case our operations are likely to experience a disruption; our financial condition, business and results of operations as well as our ability to pay distributions are likely to be adversely affected; and the market price of our shares may decline. In addition, the coordination of our internal management, acquisition activities and supervision of our businesses is likely to suffer if we are unable to identify and reach an agreement with a single institution or group of executives having the expertise possessed by our Manager. Even if we are able to retain comparable management, whether internal or external, the integration of such management and their lack of familiarity with our businesses may result in additional costs and time delays that could materially adversely affect our financial condition, business and results of operations.

We must pay our Manager the management fee regardless of our performance.

Our Manager is entitled to receive a management fee that is based on our cost of invested capital, as defined in the Management Services Agreement, regardless of the performance of our businesses. The calculation of the management fee is unrelated to the Company's results of operations. As a result, the management fee may incentivize our Manager to increase the amount of invested capital.

We cannot determine the amount of the management fee that will be paid over time with any certainty, nor are we able to determine with any certainty the amount of carried interest that will be paid over time, and our payment of such fees and carried interest to the Manager may significantly reduce the amount of cash available for distribution to our shareholders.

Under the Management Services Agreement, the Company will be obligated to pay a management fee to and, subject to certain exceptions, reimburse the costs and out-of-pocket expenses of our Manager incurred on behalf of the Company in connection with the provision of services to the Company. The management fee is calculated by reference to the Company’s cost of invested capital, which will be impacted by the acquisition or disposition of, and additional capital contributions and investments in, businesses, which can be significantly influenced by our Manager, as well as the performance of our businesses and other businesses we may acquire in the future. Changes in cost of invested capital and in the resulting management fee could be significant, resulting in a material adverse effect on the Company’s results of operations. In addition, if the performance of the Company declines, assuming cost of invested capital remains the same, management fees will increase as a percentage of the Company’s net income.

Furthermore, we cannot determine the amount of carried interest with respect to liquidity events involving the Company's businesses that will be paid over time with any certainty. Such determination would be dependent on the potential sale proceeds received for any of our businesses and the performance of the Company and its businesses over a multi-year period of time, among other factors that cannot be predicted with certainty at this time. Such factors may have a significant impact on the amount of any carried interest to be paid to the Manager. Likewise, such determination would be dependent on whether certain hurdles were surpassed giving rise to a payment of carried interest.

While it is difficult to quantify with any certainty the actual amount of any such payments in the future, such amounts could be substantial. The management fee and carried interest will be payment obligations of the Company and, as a result, will be paid, along with other Company obligations, prior to the payment of distributions to shareholders. As a result the payment of these amounts may significantly reduce the amount of cash flow available for distribution to our shareholders. If we do not have sufficient liquid assets to pay the management fee when such payments are due, we may be required to liquidate assets or incur debt in order to make such payments. This circumstance could materially adversely affect our liquidity and ability to make distributions to our shareholders.

Our profit allocation may induce our Manager to make suboptimal decisions regarding our operations.

Our Manager will receive carried interest based on profits in excess of an annualized hurdle rate upon a liquidity event involving a Company investment. In this respect, a calculation and payment of carried interest may be triggered upon the sale of one of our businesses. As a result, our Manager may be incentivized to recommend the sale of one or more of our businesses to our Board of Directors at a time that may not be optimal for our shareholders.

Risks Relating to the Restaurant Group

The COVID-19 outbreak has disrupted and may continue to disrupt the business of our Restaurant Group, which has and could continue to materially affect our Restaurant Group's operations, financial condition, results of operations and cash flows for an extended period of time.

The COVID-19 outbreak, the federal, state and local government responses to COVID-19 and our responses to the outbreak have all disrupted and will continue to disrupt our Restaurant Group businesses. In the United States, individuals are being encouraged to practice social distancing, in most places are restricted from gathering in groups and in many cases, placed on complete restriction from non-essential movements outside of their homes. In response to the COVID-19 outbreak and these changing conditions, we closed the dining rooms in substantially all of our restaurants in late March 2020 with substantially all remaining closed through early May 2020. During such time, most of our restaurants were solely operating to-go and delivery services in the jurisdictions where government regulations permit restaurants to continue to operate and where the guest demand made such operations sustainable. We temporarily closed certain restaurants, modified work hours for our Restaurant Group employees and identified and implemented cost savings measures throughout our Restaurant Group operations. If the COVID-19 outbreak arises again as a result of new variants, we may again be required to close the dining rooms in substantially all of our restaurants and solely operate to-go and delivery services, which would further adversely affect the results of operations of our Restaurant Group.

The COVID-19 outbreak and these responses have affected and, with the unpredictable impact of future variants of COVID-19 and related government responses to any future outbreaks, may continue to adversely affect our Restaurant Group brands' guest traffic, sales and operating costs and we cannot predict how long the outbreak will last or what other government responses may occur.

Suppliers of our Restaurant Group could be adversely impacted by the COVID-19 outbreak. If our Restaurant Group's suppliers’ access to resources is constrained or their employees are unable to work, whether because of illness, quarantine, limitations on travel or other government restrictions in connection with COVID-19, our Restaurant Group businesses could face shortages of food items or other restaurant supplies and our Restaurant Group's operations and sales could be adversely impacted by such supply interruptions.

The COVID-19 pandemic has negatively impacted the historical financial results of our Restaurant Group and depending on the duration and scope, such impact could have a material adverse impact on our future financial condition, results of operations and cash flows.

See further discussion of the impact of COVID-19 on our Restaurant Group's results in the Results of Operations subsection in Item 7 of Part II of this Annual Report.

The Restaurant Group companies face significant competition for customers, real estate and employees and competitive pressure to adapt to changes in conditions driving customer demand. The Restaurant Group companies' inability to compete effectively may affect guest counts, sales and profit margins, which could have a material adverse effect on our business, financial condition and results of operations.

The restaurant industry is intensely competitive with a substantial number of restaurant operators that compete directly and indirectly with the Restaurant Group companies with respect to price, service, ambiance, brand, customer service, dining experience, location, food quality and variety and value perception of menu items and there are other well established competitors with substantially greater financial and other resources than the Restaurant Group companies. Some of our Restaurant Group companies' competitors advertise on national television, which may provide customers with greater awareness and name recognition than our Restaurant Group companies can achieve through their advertising efforts. There is also active competition for management personnel and attractive suitable real estate sites. Consumer tastes and perceptions, nutritional and dietary trends, guest count patterns and the type, number and location of competing restaurants often affect the restaurant business, and our Restaurant Group companies' competitors may react more efficiently and effectively to those conditions. For instance, prevailing health or dietary preferences or perceptions of our Restaurant Group companies' products may cause consumers to avoid certain menu items or products our Restaurant Group companies offer in favor of foods that are perceived as more healthy, and such choices by consumers could have a material adverse effect on our business, financial condition and results of operations. Further, our Restaurant Group companies face growing competition from the supermarket industry, with the improvement of their "convenient meals" in the deli and prepared food sections, from quick service and fast casual restaurants and online food delivery services as a result of food and beverage offerings by those food providers. As our Restaurant Group companies' competitors expand operations in markets where our restaurant businesses operate or expect to operate, we expect competition to intensify. If our Restaurant Group companies are unable to continue to compete effectively, their guest counts, sales and profit margins could decline, which could have a material adverse effect on our business, financial condition and results of operations.

Increased commodity, energy and other costs could decrease our Restaurant Group companies' profit margins or cause the Restaurant Group companies to limit or otherwise modify their menus, which could have a material adverse effect on our business, financial condition and results of operations.

The cost, availability and quality of ingredients restaurant operations use to prepare their food is subject to a range of factors, many of which are beyond their control. A significant component of our restaurant businesses' costs will be related to food commodities, including beef, pork, chicken, seafood, poultry, dairy products, oils, produce, fruit, flour and other related costs such as energy and transportation over which we may have little control, that can be subject to significant price fluctuations due to seasonal shifts, climate conditions, industry demand, changes in international commodity markets and other factors. If there is a substantial increase in prices for these commodities, our Restaurant Group companies' results of operations may be negatively affected. In addition, the Restaurant Group companies' restaurants are dependent upon frequent deliveries of perishable food products that meet certain specifications. Shortages or interruptions in the supply of perishable food products caused by unanticipated demand, problems in production or distribution, disease or food-borne illnesses, inclement weather or other conditions could adversely affect the availability, quality, and cost of ingredients, which would likely lower revenues, damage the Restaurant Group companies' reputation or otherwise harm our business.

Negative customer experiences or negative publicity surrounding our Restaurant Group companies' restaurants or other restaurants could adversely affect sales in one or more of our Restaurant Group companies' restaurants and make our concepts less valuable, which could have a material adverse effect on our business, financial condition and results of operations.

Because we believe our Restaurant Group companies' success depends significantly on their ability to provide exceptional food quality, outstanding service and an excellent overall dining experience, adverse publicity, whether or not accurate, relating to food quality, public health concerns, illness, safety, injury or government or industry findings concerning our Restaurant Group companies' restaurants, restaurants operated by other food service providers or others across the food industry supply chain could affect our Restaurant Group companies more than it would other restaurants that compete primarily on price or other factors. If customers perceive or experience a reduction in the food quality, service or ambiance at our Restaurant Group companies' restaurants or in any way believe our Restaurant Group companies' restaurants have failed to deliver a consistently positive experience, the value and popularity of one or more of our Restaurant Group companies' concepts could suffer. Further, because our restaurant businesses rely heavily on "word-of-mouth," as opposed to more conventional mediums of advertisement, to establish concept recognition, our restaurant businesses may be more adversely affected by negative customer experiences than other dining establishments, including those of our restaurant businesses' competitors.

Our restaurant businesses could suffer due to reduced demand for our restaurant businesses' brands or specific menu offerings if our restaurant businesses are the subject of negative publicity or litigation regarding allegations of food-related contaminations or illnesses, which could have a material adverse effect on our business, financial condition and results of operations.

Food safety is a top priority, and our Restaurant Group companies dedicate substantial resources to ensuring that their customers enjoy safe, quality food products. Food-related contaminations and illnesses may be caused by a variety of food-borne pathogens, such as E. coli or salmonella, which are frequently carried on unwashed fruits and vegetables, from a variety of illnesses transmitted by restaurant workers, such as hepatitis A, which may not be diagnosed prior to being infectious, and from contamination of food by foreign substances. Contamination and food borne illness incidents could also be caused at the point of source or by food suppliers and distributors. As a result, we cannot control all of the potential sources of contamination or illness that can be contained in or transmitted from our Restaurant Group companies' food. Regardless of the source or cause, any report of food-borne illnesses or other food safety issues including food tampering or contamination, at one of our Restaurant Group companies' restaurants could adversely affect the reputation of our Restaurant Group companies' brands and have a negative impact on their sales. Even instances of food-borne illness, food tampering or food contamination occurring solely at restaurants of our Restaurant Group companies' competitors or at one of our Restaurant Group companies' suppliers could result in negative publicity about the food service industry generally and adversely impact our Restaurant Group companies' sales.

If any person becomes injured or ill, or alleges becoming injured or ill, as a result of eating our Restaurant Group companies' food, our Restaurant Group companies may temporarily close some restaurants or their bakery facilities, which would decrease their revenues, and our restaurant businesses may be liable for damages or be subject to governmental regulatory action, either of which could have long-lasting, negative effects on our restaurant businesses' reputation, financial condition and results of operations, regardless of whether the allegations are valid or whether our restaurant businesses are found liable. The occurrence of food-borne illnesses or food safety issues could also adversely affect the price and availability of affected ingredients, resulting in higher costs and lower margins.

The success of the Restaurant Group depends, in part, on its intellectual property, which we may be unable to protect.

We regard our Restaurant Group's service marks, including "O'Charley's," "Ninety Nine" and other service marks and trademarks as important factors in the marketing of our restaurants. We have also obtained trademarks for several of our brands' menu items and for various advertising slogans. We are aware of names and marks similar to our Restaurant Group's service marks and trademarks used by other persons in certain geographic areas where we have restaurants. Our policy is to pursue registration of our marks whenever possible and to oppose vigorously any infringement of our marks.

Risk Relating to Dun & Bradstreet

D&B could lose its access to data sources or ability to transfer data across the data sources in markets it operates, which could prevent D&B from providing its solutions.

D&B's solutions depend extensively upon continued access to and receipt of data from external sources, including data received from clients, strategic partners and various government and public records repositories. In some cases, D&B competes with its data providers. D&B's data providers could stop providing data, provide untimely data or increase the costs for their data for a variety of reasons, including a perception that its systems are unsecure as a result of a data security incidents, budgetary constraints, a desire to generate additional revenue or for regulatory or competitive reasons. For example, the ability of D&B's data providers to process and analyze such data may be constrained by government mandates to work remotely. In 2021, following a 2020 ruling by the Court of Justice of the European Union in its Case 311/18 Data Protection Commission v Facebook Ireland and Maximillian Schrems (Schrems II), European regulators and the European Commission adopted prescriptive measures for assessing and demonstrating that all cross-border data transfers comply with the ruling. Additionally, in 2021, China adopted its own restrictions on cross-border data transfers under its new DSL and PIPL data compliance laws. As a result of these developments and related regulatory decisions, D&B has become and may become subject to further increased restrictions or mandates on the collection, disclosure or use or transfer of such data, in particular if such data is not collected by D&B's providers in a way that allows it to legally use the data or cannot be transferred out of the country where it has been collected. D&B may not be successful in maintaining its relationships with these external data source providers or be able to continue to obtain data from them on acceptable terms or at all. Furthermore, D&B may not able to obtain data from alternative sources if its current sources become unavailable. If D&B were to lose access to this external data or if its access or use were restricted or were to become less economical or desirable, D&B's ability to provide solutions could be negatively impacted, which could have a material adverse effect on its business, financial condition and results of operations.

Risks Relating to Paysafe

Paysafe's focus on specialized industry verticals can increase its risks relative to other companies in its industry.

Paysafe focuses on specialized and high-risk industry verticals, including iGaming (which encompasses a broad selection of online betting related to sports, esports, fantasy sports, poker and other casino games), digital trading, cryptocurrencies, nutraceuticals, Cannabidiol (CBD) products and multi-level marketing. Although this focus distinguishes Paysafe from industry peers, it also increases risks inherent in its business and broader industry. For example:

- the industry verticals Paysafe serves are extensively regulated, and their regulation is evolving and subject to frequent change and uncertain interpretation. As a result of regulatory action, Paysafe has had to exit a market altogether, limit services it provides, or otherwise modify its business in ways that have adversely impacted profitability. Paysafe is also exposed to a higher risk of losses resulting from related investigations, regulatory actions and litigation.;
- serving these high-risk industry verticals routinely creates greater operational complexity, including for Paysafe's compliance, legal and risk functions;
- with respect to certain industry verticals (such as CBD or iGaming), the laws related to, or the legal status of, such verticals vary significantly among the countries in which Paysafe operates and, in the U.S., from state to state, further adding operational complexity particularly in compliance and risk mitigation;
- Paysafe may have difficulty obtaining or maintaining relationships with merchants and third-party service providers for its business, such as banks and payment card networks, including as a result of their assessment and appetite for the compliance, cost, government regulation, risk of consumer fraud or public pressure that can be associated with some of the specialized industry verticals that Paysafe operates in. For example, merchants may compel Paysafe to change their operations or add bespoke or enhanced internal controls in order to do business with them; and
- from time to time, the industry verticals Paysafe serves (and Paysafe by association) are the subject of negative publicity, which can harm Paysafe's brand and deter consumers and merchants from adopting its products and services and influence its' third-party service providers' assessment of its' business.

The enhanced risks resulting from Paysafe's specialized focus can materialize suddenly and without warning, which may result in increased volatility in its' results of operations compared with other companies in its' industry that do not provide services to companies in high-risk industry verticals, and could result in a material adverse effect on Paysafe's business, financial condition, results of operations and future prospects.

Paysafe is vulnerable to the effects of chargebacks, merchant insolvency and consumer deposit settlement risk.

Paysafe is exposed to the effect of chargebacks and merchant insolvency in its integrated processing business. In that business, Paysafe is liable to various acquiring banks for chargebacks incurred by its merchants where the merchants are unable to meet liabilities arising as a result of those chargebacks. If the average chargeback rate on any of Paysafe's merchant portfolios at any acquiring bank exceeds the maximum average chargeback rate permitted by the card agreements, Paysafe will be required to take steps to reduce the average chargeback rate so that it falls below the maximum permitted rate or risk losing its relationship with that acquiring bank. Those steps might include processing more transactions for merchants who have lower chargeback rates to produce a lower average chargeback rate for the portfolio as a whole or terminating relationships with merchants who have higher chargeback rates, which could in turn lead to a material loss of revenue for Paysafe. Chargebacks may arise as individual claims or as multiple claims relating to the same facts or circumstances. For example, the insolvency or cessation of a merchant doing business could cause numerous individual customers to bring claims at once which, either singly or in aggregate, could have a material adverse effect on Paysafe's results of operations, financial condition and future prospects. Similarly, chargebacks or fraud related to Paysafe's customers or merchants in its digital wallet business could cause the payment card schemes of which Paysafe is a member in Europe to require Paysafe to implement additional and potentially costly controls, and ultimately disqualify it from processing transactions if satisfactory controls are not maintained. Further, if any of the services Paysafe offers are deemed to have caused or contributed to illegal activity, customers, consumer protection agencies and regulatory firms could band together to initiate chargeback card payments or ACH reversals for transactions associated with the activity in question.

In Paysafe's digital wallet business, Paysafe offers its merchants a "no chargeback policy." A chargeback is the return of funds to a customer and in this context relates to a reversal of unauthorized charges to a customer's credit card, for example, as a result of fraud or identity theft. Under Paysafe's "no chargeback policy," Paysafe agrees to allow merchants who qualify under its vetting policy to retain all monies received from its' NETELLER and Skrill Digital wallet holders and undertake not to request reimbursement from such merchants in respect of chargebacks incurred. In such cases, the full amount of the disputed transaction is charged back to Paysafe and its credit card processor may levy additional fees against Paysafe unless they can successfully challenge the chargeback. Paysafe believes that its "no chargeback policy" is a key factor in a merchant's decision to use its digital wallet services.

Paysafe's businesses are also subject to merchant credit risk in respect of non-payment for products provided and services rendered or non-reimbursement of costs incurred. The contracts Paysafe enters into may require significant expenditure prior to merchant payments and may expose Paysafe to potential credit risk or may require Paysafe to use its available bank facilities in order to meet payment obligations.

Additionally, Paysafe is exposed to risk associated with the settlement of consumer deposits. Digital wallet deposits from financial institutions, such as bank accounts, are credited to customer accounts before settlement of funds is received. Thus, there is a risk that the funds may not be settled or may be recalled due to insufficient funds or fraud reasons, exposing Paysafe to the risk of negative customer wallet balances and bad debt. Further, digital wallet prepaid card deposits or transactions made by consumers may be charged back by consumers resulting in a negative balance and loss on Paysafe's accounts. If Paysafe is unable to effectively manage and monitor these risks, they could have a material adverse effect on its results of operations, financial condition and future prospects.

Paysafe may become an unwitting party to fraud or be deemed to be handling proceeds resulting from the criminal activity of its customers.

Paysafe is focused on providing trusted services to its customers and merchants and ensuring that data and confidential information is transmitted and stored securely. Combating money laundering and fraud is a significant challenge in the online payment services industry because transactions are conducted between parties who are not physically present, which in turn creates opportunities for misrepresentation and abuse. Criminals are using increasingly sophisticated methods to engage in illegal activities such as identity theft, fraud and paper instrument counterfeiting. Online payment companies are especially vulnerable because of the convenience, immediacy and in some cases anonymity of transferring funds from one account to another and subsequently withdrawing them. The highly automated nature of, and liquidity offered by, Paysafe's payments services make it a target for illegal or improper uses, including fraudulent or illegal sales of goods or services, money laundering and terrorist financing. Allegations of fraud may result in fines, settlements, litigation expenses and reputational damage.

While Paysafe employs a variety of tools to protect against fraud, these tools may not be successful. Paysafe reserves the right to refuse to accept accounts or transactions from many high-risk countries, internet protocol addresses and e-mail domains and continually update these screening filters. Paysafe's transaction monitoring systems are designed to identify various criteria, including the country of origination, in order to detect and monitor fraud and to reject any purported transactions if they appear to be fraudulent. Nevertheless, Paysafe's transaction monitoring systems may not operate as intended or may otherwise fail to effectively detect fraudulent transactions or locate where a transaction is being made. Paysafe faces significant risks of loss due to money laundering, fraud and disputes between senders and recipients, and if Paysafe is unable to deal effectively with losses from fraudulent transactions its business could be materially harmed.

The ability for customers to withdraw and deposit funds within various accounts and the potential for customer fraud in connection with certain gambling activities heightens the risks of money laundering and the unwitting receipt by Paysafe of criminal proceeds. Paysafe's industry is under increasing scrutiny from governmental authorities—in Europe, the United States and many other jurisdictions in which it operates—in connection with the potential for consumer fraud. The laws of some jurisdictions define or interpret what constitutes the underlying criminal activity that gives rise to criminal proceeds relatively narrowly (for example, terrorist financing). Conversely, other jurisdictions have adopted laws providing for relatively broad definitions or interpretations of underlying criminal activity (for example, in the UK criminal proceeds may arise from the conviction of any criminal offense where it is found that the defendant has benefited from the criminal conduct). Further, to the extent to which payment processors may be held civilly or criminally liable for the criminal activities of its merchant customers also varies widely across the jurisdictions in which Paysafe operates.

If consumer fraud levels involving Paysafe's services were to rise, it could lead to regulatory intervention and reputational and financial damage. This, in turn, could lead to additional government enforcement actions and investigations and concerns raised by merchants and Paysafe's banking partners, which in turn could reduce the use and acceptance of Paysafe's services or increase its compliance costs and thereby have a material adverse impact on its' business, financial condition and results of operations. By processing payments for merchants and customers in certain industry vehicles, such as those engaged in the online gambling sector, Paysafe may be deemed to be handling proceeds of crime in the jurisdiction where its merchants and customers are located. Paysafe is subject to anti-money laundering laws and regulations, including, in the United States, the BSA which requires money services businesses such as Paysafe to develop and implement risk-based anti-money laundering programs, report large cash transactions and suspicious activity and maintain transaction records. Paysafe has adopted a program to comply with these and other anti-money laundering regulations, but any errors or failure to implement the program properly could lead to lawsuits, administrative action and government fines and/or prosecution. In addition, even if Paysafe complies with such reporting and record-keeping requirements, law enforcement agencies in the relevant country could seize merchants' or customers' funds that are the proceeds of unlawful activity. Any such action could result in adverse publicity for Paysafe's business and could have a material adverse effect on its results of operations, financial condition and future prospects.

Risks Relating to the Split-Off

We may incur material costs as a result of our separation from FNF, which could have a material adverse effect on our business, financial condition and results of operations.

As a result of our separation from FNF, we have incurred and will continue to incur costs and expenses not previously incurred. These increased costs and expenses may arise from various factors, including financial reporting or costs associated with complying with the federal securities laws (including compliance with the Sarbanes-Oxley Act of 2002, tax administration and human resources related functions.) FNF provided many of these services for us at no-cost (other than reimbursement of FNF's out-of-pocket costs and expenses) under the Corporate Services Agreement (the "CSA"), dated as of November 17, 2017, by and between us and FNF until November 2020. In October 2020, we entered into an Extension of Corporate Services Agreement (the "Extension") with FNF. Pursuant to the Extension, the term of the CSA is extended for two years until November 17, 2022 (the "Extended Term"). During the Extended Term, FNF will provide certain corporate services to Cannae at FNF’s Standard Allocation (as defined in the CSA), plus 10%, and Cannae agrees to pay or reimburse FNF for any fees, costs or other expenses paid by FNF to third parties in connection with the corporate services. The CSA will automatically renew for successive one-year terms, unless the parties mutually agree to terminate the CSA at least 30 days prior to the applicable termination date. No later than 30 days prior to such termination date, the parties shall negotiate mutually agreeable arm’s length terms for each additional one-year term.

We cannot assure you that we will not incur third-party vendor costs or out-of-pocket expenses under the CSA that are material to our business. Moreover, we will have to develop internal departments/functions to perform the services at the end of the term of the CSA. Through the date of this Annual Report, we have developed internal departments/functions for most of the services previously provided by FNF pursuant to the CSA, but we still rely on FNF for certain functions including information technology security.

Our agreements with FNF were negotiated while we were a subsidiary of FNF.

We have a number of agreements with FNF covering matters such as tax sharing and our responsibility for certain liabilities previously undertaken by FNF for certain of our businesses. In addition, we have entered into (i) the CSA, (ii) a voting agreement with FNF, pursuant to which FNF agrees to appear or cause all shares of Cannae Holdings common stock that FNF or its subsidiaries, as applicable, own after the Split-Off to be counted as present at any meeting of the stockholders of Cannae Holdings, for the purpose of establishing a quorum, and agrees to vote all of such Cannae Holdings shares (or cause them to be voted) in the same manner as, and in the same proportion to, all shares voted by holders of Cannae Holdings common stock (other than FNF and its subsidiaries), (iii) a registration rights agreement, pursuant to which FNF or its subsidiaries, as applicable, received registration rights with respect to the shares in Cannae held by FNF and (iv) a revolver note with FNF, pursuant to which Cannae Holdings may borrow revolving loans, the proceeds of which may be used for investment purposes and working capital needs, from FNF from time to time in an aggregate amount not to exceed $100.0 million. The terms of all of these agreements were initially established while we were a wholly-owned subsidiary of FNF, and hence may not be the result of arm's length negotiations.

We believe that the terms of these agreements are commercially reasonable and fair to all parties under the circumstances; however, conflicts could arise in the interpretation or any extension or renegotiation of the foregoing agreements after the Split-Off.

Sales of our common stock by FNF may occur, which could cause our stock price to decline or result in volatility in our stock price.

In conjunction with the Split-Off, FNF received a private letter ruling from the Internal Revenue Service (“IRS”) relating to the tax-free treatment of the Split-Off to FNF and holders of FNFV common stock. One of the representations FNF made to the IRS in soliciting such private letter ruling included an assertion that FNF would dispose of the shares of common stock of the Company it retained no later than 5 years after the closing of the Split-Off which occurred in November 2017. Accordingly, in order to ensure the tax-free treatment of the Split-Off, FNF is expected to dispose of the 5.8 million shares of our common stock it holds over the next several months. If FNF sells its shares of our common stock, or if there is an adverse market perception of the impact of FNF selling its shares, it may decrease the market price of our common stock or result in volatility in our stock price.

General Risk Factors

Data security and integrity are critically important to the businesses we own and manage, and cybersecurity incidents, including cyberattacks, breaches of security, unauthorized access to or disclosure of confidential information, business disruption, or the perception that confidential information is not secure, could result in a material loss of business, regulatory enforcement, substantial legal liability and/or significant harm to their reputation, which could have a material adverse effect on our business, financial condition and results of operations.

Improper access to, misappropriation, destruction or disclosure of confidential, personal or proprietary data could result in significant harm to our reputation or the reputation of any of the businesses we own. For example, D&B collects, stores and transmits a large amount of confidential company information on over millions of total businesses, including financial information and personal information. D&B operates in an environment of significant risk of cybersecurity incidents resulting from unintentional events or deliberate attacks by third parties or insiders, which may involve exploiting highly obscure security vulnerabilities or sophisticated attack methods.

With respect to Alight, one of its significant responsibilities is to maintain the security and privacy of its employees' and clients' confidential and proprietary information and the confidential information about clients' employees' compensation, health and benefits information and other personally identifiable information. With respect to our Restaurant Group companies, they rely heavily on information technology systems across their operations and corporate functions, including for order and delivery from suppliers and distributors, point-of-sale processing in their restaurants, management of their supply chains, payment of obligations, collection of cash, bakery production, data warehousing to support analytics, finance or accounting systems, labor optimization tools, gift cards, online business and various other processes and transactions, including the storage of employee and customer information. With respect to Paysafe, its operations rely on the secure processing, transmission and storage of confidential, proprietary, personal, financial and other information in its' computer systems and networks. Paysafe's information technology security systems, software and networks and those of the customers and third parties with whom Paysafe interacts may be vulnerable to unauthorized access (from within or by third parties), computer viruses or other malicious code, or other cybersecurity threats, which could result in the unauthorized access, loss, theft or disclosure of confidential, proprietary, or personal information relating to merchants, customers and employees.

The businesses we own and manage have experienced and expect to continue to experience numerous attempts to access their computer systems, software, networks, data and other technology assets on a daily basis. The security and protection of their data is a top priority for them. Such businesses devote significant resources to maintain and regularly upgrade the wide array of physical, technical and contractual safeguards that they employ to provide security around the collection, storage, use, access and delivery of information they possess. These businesses have implemented various measures to manage their risks related to system and network security and disruptions, but an actual or perceived security breach, a failure to make adequate disclosures to the public or law enforcement agencies following any such event or a significant and extended disruption in the functioning of its information technology systems could damage a portfolio company's reputation and cause it to lose clients, adversely impact its operations, sales and operating results and require it to incur significant expense to address and remediate or otherwise resolve such issues.

Although our businesses have not incurred material losses or liabilities to date as a result of any breaches, unauthorized disclosure, loss or corruption of their data or inability of their clients to access their systems, such events could result in intellectual property or other confidential information being lost or stolen, including client, employee or business data, disrupt their operations, subject them to substantial regulatory and legal proceedings and potential liability and fines, result in a material loss of business and/or significantly harm their reputation. If they are unable to efficiently manage the vulnerability of their systems and effectively maintain and upgrade their system safeguards, they may incur unexpected costs and certain of their systems may become more vulnerable to unauthorized access. Furthermore, if we are unable to similarly effectively maintain and upgrade our corporate system safeguards, data and confidential information we may have access to from time to time about the businesses we own and manage may also become more vulnerable to unauthorized access.

Due to concerns about data security and integrity, a growing number of legislative and regulatory bodies have adopted breach notification and other requirements in the event that information subject to such laws is accessed by unauthorized persons and additional regulations regarding the use, access, accuracy and security of such data are possible. For example, in the United States, D&B is subject to laws that provide for at least 50 disparate notification regimes. Complying with such numerous and complex regulations in the event of unauthorized access would be expensive and difficult, and failure to comply with these regulations could subject D&B to regulatory scrutiny and additional liability. In many jurisdictions, including North America and the European Union, Alight is subject to laws and regulations relating to the collection, use, retention, security and transfer of this information including the Health Insurance Portability and Accountability Act of 1996, as amended ("HIPAA") and the HIPAA regulations governing, among other things, the privacy, security and electronic transmission of individually identifiable protected health information, the Personal Information Protection and Electronic Documents Act ("PIPEDA") and the European Union General Data Protection Regulation ("GDPR"). California also enacted legislation, the California Consumer Privacy Act of 2018 ("CCPA") and the related California Privacy Rights Act ("CPRA"), that afford California residents expanded privacy protections and a private right of action for security breaches affecting their personal information. These and other similar laws and regulations are frequently changing and are becoming increasingly complex and sometimes conflict among the various jurisdictions and countries in which Alight provides services both in terms of substance and in terms of enforceability. This makes compliance challenging and expensive. Alight's failure to adhere to or successfully implement processes in response to changing regulatory requirements in this area could result in legal liability or impairment to our reputation in the marketplace.

If Cannae or its businesses are unable to protect their computer systems, software, networks, data and other technology assets it could have a material adverse effect on their business, financial condition and results of operations, and ultimately the value of our businesses. We record many of our ownership interests using the equity method of accounting, through which we record our proportionate share of their net earnings or loss in our consolidated financial statements. Equity-method investments are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. If our equity-method investment is not recoverable, we may be required to record an impairment charge, which could have a material adverse effect on our results of operations.

The loss of key personnel could impair our operating abilities and could have a material adverse effect on our business, financial condition and results of operations.

Our success will substantially depend on our ability to attract and retain key members of our senior management team and officers. If we lose one or more of these key employees, our operating results and in turn the value of our common stock could be materially adversely affected. Although we may enter into employment agreements with our officers, there can be no assurance that the entire term of any employment agreement will be served or that any employment agreement will be renewed upon expiration.

The due diligence process that we undertake in connection with new acquisitions may not reveal all facts that may be relevant in connection with acquisitions of ownership interests.

Before making acquisitions, we conduct due diligence that we deem reasonable and appropriate based on the facts and circumstances applicable to each investment. When conducting due diligence, we may be required to evaluate important and complex business, financial, tax, accounting, environmental and legal issues. Outside consultants, legal advisers, accountants and investment banks may be involved in the due diligence process in varying degrees depending on the type of business and transaction. Nevertheless, when conducting due diligence and making an assessment regarding an acquisition, we rely on the resources available to us, including information provided by the target of the transaction and, in some circumstances, third party investigations. The due diligence investigation that we carry out with respect to any opportunity may not reveal or highlight all relevant facts (including fraud) that may be necessary or helpful in evaluating such opportunity. Moreover, such an investigation will not necessarily result in the acquisition being successful.

Our management may seek growth through acquisitions in lines of business that will not necessarily be limited to our current areas of focus or geographic areas. This expansion of our business subjects us to associated risks, such as the diversion of management's attention and lack of experience in operating such businesses, which could have a material adverse effect on our business, financial condition and results of operations.

We may make acquisitions in lines of business that are not directly tied to or synergistic with our current portfolio companies. Accordingly, we may in the future acquire businesses in industries or geographic areas with which management is less familiar than we are with our current businesses.

The acquisition and integration of any business we may acquire involves a number of risks and may result in unforeseen operating difficulties and expenditures in assimilating or integrating the businesses, technologies, products, personnel or operations of the acquired business. Furthermore, acquisitions may: (1) involve our entry into geographic or business markets in which we have little or no prior experience; (2) involve difficulties in retaining the customers of the acquired business; (3) involve difficulties and expense associated with regulatory requirements, competition controls or investigations; (4) result in a delay or reduction of sales for both us and the business we acquire; and (5) disrupt our ongoing business, divert our resources and require significant management attention that would otherwise be available for ongoing development of our current business.

To complete future acquisitions, we may determine that it is necessary to use a substantial amount of our cash or engage in equity or debt financing. If we raise additional funds through further issuances of equity or convertible debt securities, our existing stockholders could suffer significant dilution, and any new equity securities we issue could have rights, preferences and privileges senior to those of holders of our common stock. Any debt financing obtained by us in the future could involve restrictive covenants relating to our capital-raising activities and other financial and operational matters that make it more difficult for us to obtain additional capital in the future and to pursue other business opportunities, including potential acquisitions. In addition, we may not be able to obtain additional financing on terms favorable to us, if at all, which could limit our ability to engage in acquisitions. Moreover, we can make no assurances that the anticipated benefits of any acquisition, such as operating improvements or anticipated cost savings, would be realized or that we would not be exposed to unexpected liabilities in connection with any acquisition.

Further, an acquisition may negatively affect our operating results because it may require us to incur charges and substantial debt or other liabilities, may cause adverse tax consequences, substantial depreciation and amortization of deferred compensation charges, may require the amortization, write-down or impairment of amounts related to deferred compensation, goodwill and other intangible assets, may include substantial contingent consideration payments or other compensation that reduce our earnings during the quarter in which incurred, or may not generate sufficient financial return to offset acquisition costs.

We may often pursue opportunities that involve businesses, regulatory, legal or other complexities, which could have a material adverse effect on our business, financial condition and results of operations.

As an element of our strategy, we may pursue unusually complex opportunities. This could often take the form of substantial business, regulatory or legal complexity. Our tolerance for complexity may present risks, as such transactions can be more difficult, expensive and time-consuming to finance and execute; it may be more difficult to manage or realize value from the assets acquired in such transactions; and such transactions may sometimes entail a higher level of regulatory scrutiny or a greater risk of contingent liabilities. Any of these risks could harm our performance.

We and the businesses we own and manage, from time to time in the ordinary course of business, are involved in legal proceedings and may experience unfavorable outcomes, which could have a material adverse effect on our business, financial condition and results of operations.

We and the businesses we own and manage, from time to time in the ordinary course of business, are involved in pending and threatened litigation matters, some of which include claims for punitive or exemplary damages. We and such companies are also subject to compliance with extensive government laws and regulations related to employment practices and policies. We may not be able to successfully resolve these types of conflicts to their satisfaction, and these matters may involve claims for substantial amounts of money or for other relief that might necessitate changes to their business or operations. The defense of these actions may be both time consuming and expensive and their outcomes cannot be predicted with certainty. Determining reserves for pending litigation is a complex, fact-intensive process that requires significant legal judgment. It is possible that unfavorable outcomes in one or more such proceedings could result in substantial payments that could have a material adverse effect on our cash flows in a particular period or on our business, financial condition and results of operations.

The lack of liquidity in certain of our ownership interests may adversely affect our business.

We invest, and will continue to invest, in companies whose securities are not publicly traded and whose securities will be subject to legal and other restrictions on resale or will otherwise be less liquid than publicly traded securities. The illiquidity of ownership interests with these characteristics may make it difficult for us to sell these positions when desired. In addition, if we are required or otherwise choose to liquidate all or a portion of our assets quickly, we may realize significantly less than the value at which we had previously recorded these ownership interests. Our businesses are often subject to contractual or legal restrictions on resale or are otherwise illiquid because there is usually no established trading market for such ownership interests. Because certain of our businesses are illiquid, we may be unable to dispose of them timely or we may be unable to do so at a favorable price, and, as a result, we may suffer losses.

Our charter, bylaws and provisions of Delaware law may discourage or prevent strategic transactions, including a takeover of our company, even if such a transaction would be beneficial to our stockholders.

Provisions contained in our charter and bylaws and provisions of the Delaware General Corporate Law ("DGCL"), could delay or prevent a third party from entering into a strategic transaction with us, as applicable, even if such a transaction would benefit our stockholders. For example, our charter and bylaws: (1) authorize the issuance of "blank check" preferred stock that could be issued by us upon approval of our board of directors to increase the number of outstanding shares of capital stock, making a takeover more difficult and expensive; (2) provide that directors may be removed from office only for cause and that any vacancy on our board of directors may only be filled by a majority of our directors then in office, which may make it difficult for other stockholders to reconstitute our board of directors; (3) provide that special meetings of the stockholders may be called only upon the request of a majority of our board of directors or by our executive chairman, chief executive officer or president, as applicable; (4) require advance notice to be given by stockholders for any stockholder proposals or director nominees; (5) provide that directors are elected by a plurality of the votes cast by stockholders, which results in each director nominee elected by a plurality winning his or her seat upon receiving one "for" vote; and (6) provide that the board of directors is divided into three classes, as nearly equal in number as possible, with one class being elected at each annual meeting of stockholders, which could make it more difficult for a third party to acquire, or discourage a third party from seeking to acquire, control of Cannae.

These restrictions and provisions could keep us from pursuing relationships with strategic partners and from raising additional capital, which could impede our ability to expand our business and strengthen our competitive position. These restrictions could also limit stockholder value by impeding a sale of our company.

Item 1B. ***Unresolved Staff Comments***

None.

Item 2. ***Properties***

Our corporate headquarters are located in Las Vegas, Nevada in owned facilities.

Restaurant Group. The Restaurant Group's headquarters are located in Nashville, Tennessee with another office location in Woburn, Massachusetts. The majority of the restaurants are leased from third parties, and are located in 23 states throughout the United States. Substantially all of our Restaurant Group's revenues are generated in those states.

Corporate and Other. The Golf & Real Estate segment of Cannae RE owns a 1,800 acre ranch-style luxury resort and residential community in Bend/Powell Butte, Oregon.

Item 3. ***Legal Proceedings***

For a description of our legal proceedings see discussion under *Legal and Regulatory Contingencies* in Note M. *Commitments and Contingencies* to our Consolidated Financial Statements included in Item 8 of Part II of this Annual Report, which is incorporated by reference into this Part I, Item 3.

Item 4. ***Mine Safety Disclosures***

None.

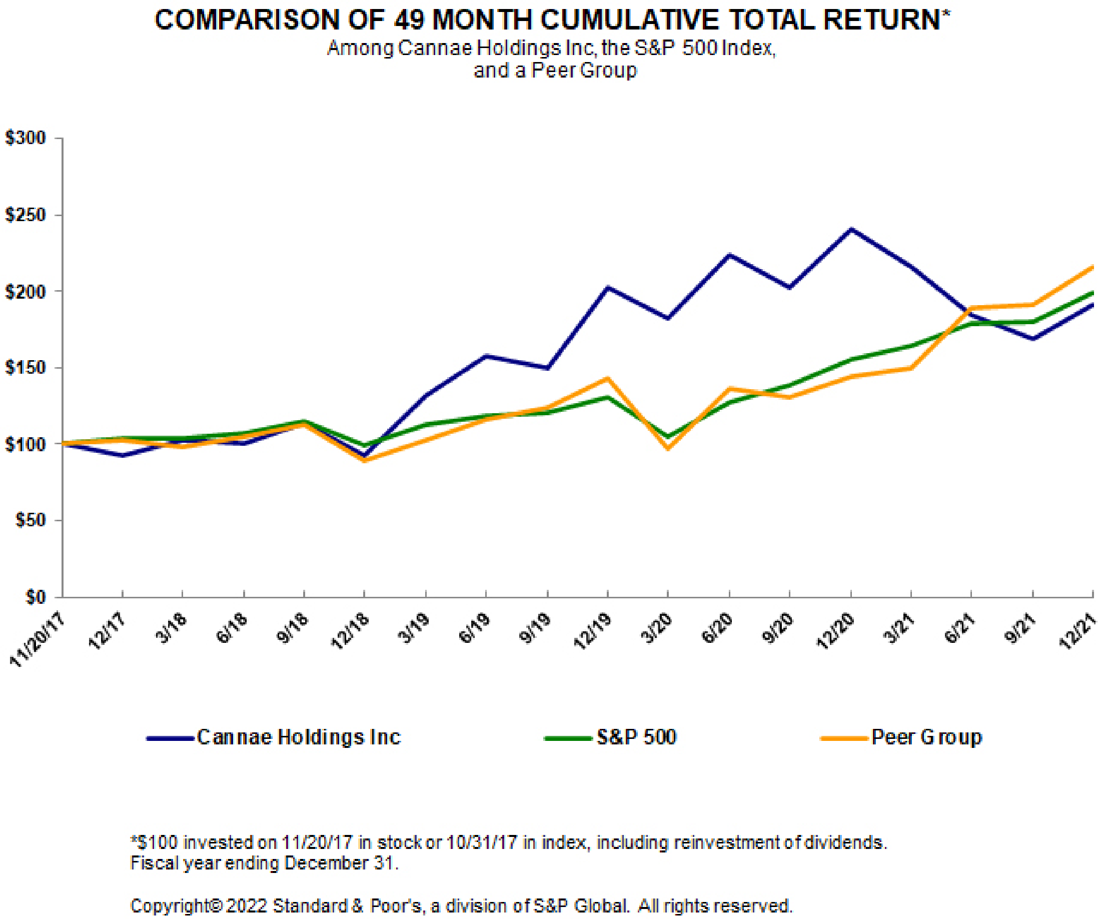
PART II

Item 5. ***Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities***

The Company's common stock trades on The New York Stock Exchange under the "CNNE" trading symbol.

Performance Graph

Set forth below is a graph comparing cumulative total shareholder return on our common stock against the cumulative total return on the S&P 500 Index and against the cumulative total return of a peer group index consisting of certain companies against which we compete for the period ending December 31, 2021. The peer group comparison has been weighted based on their stock market capitalization. The graph assumes an initial investment of $100.00 on November 20, 2017, the date on which shares of our common stock began trading.



	11/20/2017	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021
Cannae Holdings, Inc.	100.00	92.60	93.09	202.23	240.73	191.14
S&P 500	100.00	104.21	99.64	131.02	155.12	199.65
Peer Group (1)	100.00	103.18	89.33	143.41	144.20	216.17

(1) Peer group consists of the following companies: Apollo Investment Corporation, Compass Diversified Holdings, FS KKR Capital Corp. II, Golub Capital BDC, Inc., New Mountain Finance Corporation and Prospect Capital Corporation.

On January 31, 2022, the last reported sale price of our common stock on The New York Stock Exchange was $29.87 per share. We had approximately 4,634 shareholders of record.

Information concerning securities authorized for issuance under our equity compensation plans will be included in Item 12 of Part III of this Annual Report.

Purchases of Equity Securities by the Issuer

On September 19, 2019, our Board of Directors approved a three-year stock repurchase program effective September 19, 2019 (the "2019 Repurchase Program") under which we were permitted to purchase up to 5 million shares of our CNNE common stock through September 30, 2022. Since the original commencement of the 2019 Repurchase Program through market close on December 31, 2021, we repurchased all 5 million common shares originally authorized thereunder for approximately $168.7 million in the aggregate, or an average of $33.74 per share.

On February 26, 2021, our Board authorized an additional three-year stock repurchase program (the "2021 Repurchase Program"), under which we may repurchase an additional 10 million shares of our common stock. Purchases may be made from time to time in the open market at prevailing prices or in privately negotiated transactions through February 26, 2024. The repurchase program does not obligate us to acquire any specific number of shares and may be suspended or terminated at any time. Subsequent to December 31, 2021 through the date of this Annual Report, we repurchased 400,000 common shares for $14.0 million, or an average of $34.97 per share. Since the original commencement of the 2021 Repurchase Program through the date of this Annual Report, we have repurchased 916,584 common shares thereunder for approximately $31.9 million, or an average of $34.79 per share.

The following table summarizes repurchases of equity securities by Cannae during the quarter ending December 31, 2021:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (1)(2)	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs (3)
12/1/2021 - 12/31/2021	2,100,000	33.73	2,100,000	9,483,416
Total	4,828,168		4,828,168	

(1) On September 19, 2019, our Board of Directors approved the 2019 Repurchase Program, under which we were permitted to purchase up to 5 million shares of our CNNE common stock through September 30, 2022.

(2) On March 1, 2021, our Board of Directors approved the 2021 Repurchase Program, under which we may purchase up to 10 million shares of our CNNE common stock through February 26, 2024.

(3) As of the last day of the applicable month.

Item 7. *Management's Discussion and Analysis of Financial Condition and Results of Operations*

For a description of our business, including descriptions of segments and recent business trends, see the discussion under Business in Item 1 of Part I of this Annual Report, which is incorporated by reference into this Part II, Item 7 of this Annual Report. The following discussion should also be read in conjunction with the Consolidated Financial Statements and the Notes thereto included in Item 8 of Part II of this Annual Report.

Recent Developments

Ceridian

On May 20, 2021, we completed the sale of 2.0 million shares of common stock of Ceridian pursuant to Rule 144 promulgated under the Securities Act of 1933, as amended ("Rule 144"). In connection with the sale, we received proceeds of $175.0 million.

In September 2021, we completed the sale of 1.0 million shares of common stock of Ceridian for proceeds of $100.0 million pursuant to the terms of a covered call agreement.

On October 21, 2021, we completed the sale of an additional 1.0 million shares of common stock of Ceridian pursuant to Rule 144. In connection with the sale, we received proceeds of $125.8 million in October 2021.

As of December 31, 2021, we owned 10.0 million shares of Ceridian common stock which represented approximately 6.6% of the outstanding common stock of Ceridian.

In January 2022, we completed the sales of an additional 2.0 million shares of common stock of Ceridian pursuant to Rule 144. In connection with the sales, we received proceeds of $173.3 million in January 2022. As of the date of this Annual Report, we own 8.0 million shares of Ceridian common stock which represents approximately 5.3% of the outstanding common stock of Ceridian as of the date of this Annual Report.

Dun & Bradstreet

On January 8, 2021, D&B completed its acquisition of Bisnode Business Information Group AB (the "Bisnode Acquisition"). In connection with the Bisnode Acquisition, D&B issued an additional 6.2 million shares of its common stock, which resulted in a decrease in our ownership interest in D&B from approximately 18.1% to approximately 17.7% and a non-cash gain of $18.6 million in the year ended December 31, 2021.

On June 28, 2021, we completed the sale of an aggregate of 8.5 million shares of common stock of D&B (the "D&B Share Sale") pursuant to Rule 144. In connection with the D&B Share Sale, we received aggregate proceeds of $186.0 million and recorded a gain of $111.1 million. As a result of the D&B Share Sale, we now own 68.1 million shares of D&B, which represents approximately 15.8% of its outstanding common stock as of December 31, 2021.

On February 15, 2022, we received 21.8 million shares of D&B as partial consideration for our sale of Optimal Blue. Subsequently, we transferred 1.6 million of the shares received to our Manager as part of our carried interest paid related to the sale. See discussion under the header *Optimal Blue* below for further information. Following the receipt of these additional shares of D&B and payment of carried interest, we own 88.3 million shares of D&B which represents approximately 20.5% of its outstanding common stock.

Alight

On January 25, 2021, Foley Trasimene Acquisition Corp. ("FTAC") entered into a business combination agreement with predecessor of Alight, a leading cloud-based provider of integrated digital human capital and business solutions, as amended and restated April 29, 2021, by and among FTAC, Alight and other parties thereto (the "FTAC Alight Business Combination"). Also on January 25, 2021, Cannae entered into an agreement to purchase 25 million shares of Alight for $250.0 million as part of a private investment in public equity ("PIPE") raised in conjunction with the FTAC Alight Business Combination (the "Alight Subscription Agreement").

During the quarter ended June 30, 2021, Cannae funded the following: (a) $250.0 million pursuant to the Alight Subscription Agreement, (b) $150.0 million pursuant to a previously announced forward purchase agreement with FTAC (the "FTAC FPA") entered into on May 8, 2020 and (c) $52.4 million for the purchase of 5.2 million shares of FTAC on the open market (the "Purchased Shares"). In July 2021, we sold 1.0 million of the Purchased Shares for aggregate proceeds of $10.3 million.

On July 2, 2021, FTAC completed the FTAC Alight Business Combination in accordance with the relevant business combination agreement. The combined company operates as Alight and is traded on the NYSE under the symbol ALIT. The FTAC Alight Business Combination was funded with the cash held in trust at FTAC, forward purchase commitments, PIPE commitments and equity of Alight.

For Cannae’s total net investment in Alight of $446.6 million, inclusive of our previous $4.5 million investment in the sponsor of FTAC (the "FTAC Sponsor") and net of the Purchased Shares sold, Cannae received 50,390,129 common shares and 5,000,000 warrants of Alight (the "Alight Warrants") and 3,026,666 LLC units of Alight's operating subsidiary with substantially the same terms as Alight's public warrants and indirectly held by the Company through its interest in the FTAC Sponsor. In connection with the investment in the PIPE and deal syndication, Cannae earned $6.1 million of fees which were deducted from the basis of our investment in Alight.

On November 29, 2021, Alight announced the redemption of all of its outstanding warrants to purchase shares of the Alight’s Class A common stock. In accordance with the warrant agreement, upon delivery of the notice of redemption, the warrants could be exercised either for cash or on a cashless basis in exchange for common shares of Alight. We elected the cashless exercise and in December 2021 we received 1,300,000 shares of Alight's Class A Common Stock directly and 786,933 shares indirectly through our ownership interest in the FTAC Sponsor.

As of December 31, 2021, Cannae directly and indirectly through the FTAC Sponsor owns 52.5 million shares of Alight which represented approximately 10.0% of its outstanding common equity. We account for our direct ownership interest in common equity of Alight and ownership in the FTAC Sponsor as equity method investments.

Paysafe

On March 30, 2021, Foley Trasimene Acquisition Corp. II ("FTAC II") completed its previously announced merger with Paysafe Limited ("Paysafe"), a leading integrated payments platform (the "FTAC II Paysafe Merger"), in accordance with the agreement and plan of merger dated December 7, 2020. The combined company operates as Paysafe and is traded on the NYSE under the symbol PSFE. The FTAC II Paysafe Merger was funded with the cash held in trust at FTAC II, forward purchase commitments, PIPE commitments and equity of Paysafe.

In conjunction with the FTAC II Paysafe Merger, Cannae funded: (a) $350.0 million as part of our subscription to the PIPE (the "Paysafe Subscription Agreement" and collectively with the Alight Subscription Agreement the "Subscription Agreements") and (b) $150.0 million as part of our forward purchase agreement with FTAC II entered into on July 31, 2020 (the "FTAC II FPA"). For Cannae’s total investment in Paysafe of $504.7 million, inclusive of our previous investment in the sponsor of FTAC II ("FTAC II Sponsor"), Cannae received 54,294,395 common shares and 5,000,000 Paysafe warrants and 3,134,067 LLC units of Paysafe's operating subsidiary with substantially the same terms as Paysafe's public warrants (collectively, the "Paysafe Warrants"). In connection with the investment in the PIPE, Paysafe paid Cannae a fee of $5.6 million as described in the agreement and plan of merger dated December 7, 2020, which was deducted from the basis of our investment.

In September 2021, the sponsor of FTAC II distributed all of its interest in Paysafe to its limited partners. As a result, Cannae now directly holds all of its interest in the common equity of Paysafe and Paysafe Warrants.

In December 2021, Cannae purchased 5.7 million shares of Paysafe on the open market for $22.4 million.

As of December 31, 2021, Cannae directly owns 59.8 million shares which represented approximately 8.3% of the outstanding common equity of Paysafe. We account for our ownership in the common equity of Paysafe under the equity method of accounting and the Paysafe Warrants as a derivative.

Optimal Blue

On February 15, 2022, we completed the disposition of our ownership interests in Optimal Blue to Black Knight, Inc. (“Black Knight”) and its subsidiaries (the “Optimal Blue Disposition”), pursuant to a purchase agreement dated as of February 15, 2022, by and among Black Knight, Cannae, and Optimal Blue, among others. In conjunction with the Optimal Blue Disposition, Cannae received aggregate consideration of (y) $144.5 million in cash and (z) 21.8 million shares of common stock, par value $0.0001 per share, of Dun & Bradstreet. Following the consummation of the Optimal Blue Disposition, Cannae no longer has any ownership interest in Optimal Blue.

Forward Purchases of Equity of Special Purpose Acquisition Companies

On February 25, 2021, we entered into a forward purchase agreement (the "AAI FPA") with AAI, a special purpose acquisition company ("SPAC") whose business purpose is to effect a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination with one or more businesses or entities (the "AAI Initial Business Combination"). AAI is co-sponsored by entities affiliated with the chairman of our Board of Directors ("Board"), William P. Foley II. Additionally, Cannae invested $1.6 million in the sponsor of AAI for a 10% indirect economic interest in the founder shares and warrants held by the sponsor. The AAI FPA was contingent upon the closing of the AAI Initial Business Combination.

On May 10, 2021, AAI entered into a Business Combination Agreement (the "WIL Business Combination Agreement") by and among AAI, Wave Merger Sub Limited, an exempted company incorporated in Bermuda and a direct, wholly owned subsidiary of AAI ("Merger Sub"), and Wynn Interactive Ltd., an exempted company incorporated in Bermuda ("WIL").

In connection with the signing of the WIL Business Combination Agreement, we and AAI agreed to terminate the AAI FPA, and we entered into a backstop facility agreement (the "WIL Backstop Agreement") whereby we agreed, subject to the other terms and conditions included therein, to subscribe for AAI Class A Ordinary Shares in order to fund redemptions by shareholders of AAI in connection with the WIL Business Combination Agreement in an amount of up to $690.0 million (the "WIL Backstop Subscription"), in consideration for a placement fee of $3.5 million.

On November 11, 2021, we and AAI entered into a mutual termination agreement (the "Mutual Termination Agreement") to terminate the WIL Business Combination Agreement. In conjunction with the Mutual Termination Agreement, AAI received $5.0 million as reimbursement for out-of-pocket expenses. As a result of the termination of the WIL Business Combination Agreement, the Backstop Agreement and the Amended and Restated Sponsor Agreement were automatically terminated.

On February 25, 2021, we entered into a forward purchase agreement (the "AAII FPA" and collectively with the FTAC FPA and the FTAC II FPA, the "Forward Purchase Agreements") with AAII, a SPAC whose business purpose is to effect a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination with one or more businesses or entities (the "AAII Initial Business Combination"). AAII is co-sponsored by entities affiliated with William P. Foley II. Under the AAII FPA, we agreed to purchase an aggregate of 12,500,000 shares of AAII’s Class A common stock, plus an aggregate of 3,125,000 redeemable warrants to purchase one share of AAII's Class A common stock at $11.50 per share for an aggregate purchase price of $125.0 million in a private placement to occur concurrently with the closing of the AAII Initial Business Combination. Additionally, Cannae directly invested $29.6 million for a 20% indirect economic interest in the founder shares held by the sponsor and a direct interest in 19,733,333 private placement warrants of AAII (the "AAII Warrants") at the initial public offering. The AAII FPA is contingent upon the closing of the AAII Initial Business Combination.

On June 5, 2020, we entered into a forward purchase agreement (the "Trebia FPA") with Trebia Acquisition Corp. ("Trebia"), a SPAC incorporated as a Cayman Islands exempted company for the purpose of effecting a merger, share exchange, asset acquisition, share purchase, reorganization or similar business combination with one or more businesses or entities (the "Trebia Initial Business Combination"). Trebia is co-sponsored by entities affiliated with the chairman and a member of our Board, William P. Foley II and Frank R. Martire, respectively.

On June 28, 2021, Trebia entered into a Business Combination Agreement by and among Trebia, S1 Holdco LLC, a Delaware limited liability company ("S1 Holdco"), System1 SS Protect Holdings, Inc., a Delaware corporation ("Protected"), and the other parties named therein (the "Trebia S1 Business Combination Agreement"). The Trebia S1 Business Combination Agreement provides for, among other things, the consummation of certain transactions whereby each of (i) System1, LLC, a Delaware limited liability company and the current operating subsidiary of S1 Holdco, and (ii) Protected.net Group Limited, a private limited company organized under the laws of the United Kingdom and the current operating subsidiary of Protected, will become subsidiaries of Trebia (the "Trebia S1 Business Combination").

In connection with the signing of the Trebia S1 Business Combination Agreement, we and Trebia terminated the Trebia FPA, and we entered into a backstop facility agreement (the "S1 Backstop Agreement" and together with the WIL Backstop Agreement, the "Backstop Agreements") whereby we agreed, subject to the other terms and conditions included therein, to subscribe for Trebia Class A Common Stock in order to fund redemptions by shareholders of Trebia in connection with the Business Combination, in an amount of up to $200.0 million (the "S1 Backstop Subscription"). In connection with Cannae’s entry into the S1 Backstop Agreement, the sponsors of Trebia have agreed to forfeit up to 1,275,510 Trebia Class B Ordinary Shares (and Trebia has agreed to issue to Cannae a number of shares of Trebia Class A Common Stock equal to such forfeiture) as consideration in the event that the S1 Backstop Subscription is drawn due to redemptions.

On January 10, 2022, we entered into an amendment to the S1 Backstop Agreement pursuant to which our commitment to fund redemptions increased from $200.0 million to $250.0 million. Also on January 10, 2022, we entered into an amended and restated sponsor agreement with the sponsors of Trebia pursuant to which Trebia will forfeit up to an additional 1,352,941 Class B Ordinary Shares to Trebia, and Trebia will issue to Cannae an equal number of shares of Trebia Class A Common Stock in connection with, and based upon the extent of, Cannae’s obligation with respect to the increase in our backstop commitment.

On January 27, 2022, the Trebia System1 Business Combination was completed and System1 merged with and into Trebia, with System1, Inc. ("System1") as the surviving corporation. Beginning on January 28, 2022, System1’s common stock began trading on the NYSE under the ticker symbol "SST." Upon the completion of the Trebia System1 Business Combination, Cannae has invested a total of $248.3 million in System1 and directly and indirectly owns 28.2 million of System1 common shares and 1.2 million warrants to purchase System1 common shares. As a result, Cannae has an approximate 26% ownership of System1.

QOMPLX

On March 1, 2021, Tailwind Acquisition Corp. ("Tailwind") entered into a business combination agreement to merge with QOMPLX, Inc. ("QOMPLX") (the "Tailwind QOMPLX Merger"). In conjunction with the Tailwind QOMPLX Merger, Cannae entered into an agreement to purchase 4.6 million shares of common stock of the combined company for $37.5 million as part of a subscription to the PIPE. Additionally, in March 2021, Cannae funded a convertible note to QOMPLX for $12.5 million that matures on March 3, 2022 (the "QOMPLX Note"). During the quarter ended September 30, 2021, Cannae funded an additional $6.0 million, which was added to the existing QOMPLX Note.

On August 17, 2021, QOMPLX and Tailwind mutually agreed to terminate the Tailwind QOMPLX Merger citing market conditions, which prevented certain closing conditions from being satisfied. The termination of the Tailwind QOMPLX Merger also terminated the Tailwind Subscription Agreement. The termination had no effect on the QOMPLX Note.

In November 2021, QOMPLX converted all of its outstanding convertible notes into preferred stock and redeemed $7.5 million of such preferred stock held by Cannae. As a result, Cannae holds approximately 14.5 million shares of preferred stock of QOMPLX representing approximately 19.3% of QOMPLX's outstanding equity.

Restaurant Group

During the year ended December 31, 2021, we commenced a plan to sell or dispose of the assets of Legendary Baking Holdings I, LLC ("Legendary Baking") and VIBSQ Holdco, LLC ("VIBSQ") and their subsidiaries.

On June 24, 2021, we entered into a membership purchase agreement for the sale of certain net assets of VIBSQ and its subsidiaries for $13.5 million. On July 30, 2021, we closed on the sale of such VIBSQ net assets and recorded a loss of $9.4 million, which is included in Recognized gains (losses), net on the Consolidated Statement of Operations for the year ended December 31, 2021.

On August 10, 2021, we entered into an asset purchase agreement for the sale of certain net assets of Legendary Baking and its subsidiaries for $6.1 million and we recorded a loss of $7.0 million as a result of classifying Legendary Baking as held for sale. On September 7, 2021, we closed on the sale and recorded an additional loss of $3.9 million. Both losses are included in Recognized gains (losses), net on the Consolidated Statement of Operations in the year ended December 31, 2021.

Subsequent to the transactions, other than the winding down of certain immaterial retained assets and liabilities of Legendary Baking and VIBSQ, we have no further material involvement in Legendary Baking or VIBSQ.

Other Developments

Our Board authorized the 2021 Repurchase Program, effective February 26, 2021, under which we may repurchase up to 10 million shares of our common stock. Purchases may be made from time to time in the open market at prevailing prices or in privately negotiated transactions through February 26, 2024. The repurchase program does not obligate us to acquire any specific number of shares and may be suspended or terminated at any time. Pursuant to the 2019 Repurchase Program and the 2021 Repurchase Program, we repurchased 4,828,168 shares of CNNE common stock during the year ended December 31, 2021 for approximately $167.3 million in the aggregate, or an average of $34.65 per share.

On March 31, 2021, we closed on a $32.0 million acquisition of an ownership interest in Sightline Payments LLC ("Sightline"), a fintech company that enables cashless, mobile and omnichannel payment solutions for the gaming, lottery, sports betting, entertainment and hospitality businesses. On August 16, 2021, we acquired an additional $240.0 million of ownership interest in Sightline. Our total ownership interest represents 32.6% of the outstanding membership interests in Sightline and is accounted for under the equity method of accounting.

During the year ended December 31, 2021, we received distributions of $283.2 million from our joint venture (the "Senator JV") with affiliates of Senator Investment Group, LP. In 2020, we received an aggregate of $198.6 million of distributions from the Senator JV. Of the distributions received in 2020, $25.8 million represented the return of our deposit previously held by the Senator JV and the remainder resulted from the Senator JV's sales of CoreLogic, Inc. Using the cumulative earnings approach, $126.4 million of the distributions resulting from the Senator JV in the year ended December 31, 2020 are considered a return on our investment in the Senator JV and are classified as cash inflows from operating activities in our Consolidated Statement of Cash Flows for the year ended December 31, 2020. We have no further material ownership interest in the Senator JV.

On May 21, 2021, Ceska zbrojovka Group SE ("CZG") acquired 100% of the outstanding equity of Colt Holdings, LLC ("Colt"). In conjunction with the transaction, we received $37.3 million for our holdings of Colt corporate debt securities, including accrued interest thereon, $1.4 million for our equity in Colt and received $0.4 million of cash and $3.6 million of CZG equity securities for our holdings of Colt equity interests in October 2021. We recorded a gain of $20.3 million on the transaction, inclusive of $10.9 million (net of $2.9 million of deferred taxes) of gains reclassified from other comprehensive earnings. We have the opportunity to receive additional equity securities of CZG contingent on future operating results of Colt. Subsequent to the transaction, we have no further ownership interest in Colt debt or equity securities.

In the year ended December 31, 2021, we commenced a plan to sell Rock Creek Idaho Holdings, LLC ("RC"). On August 10, 2021, we entered into an asset purchase agreement for the sale of certain net assets of RC and its subsidiaries for $44.2 million, consisting of cash of $9.2 million, net of transaction costs, and a note receivable of $35.0 million. We recorded a gain of $18.9 million as a result of the sale, which is included in Recognized gains (losses), net on the Consolidated Statement of Operations for the year ended December 31, 2021. The chairman of our Board, William P. Foley II is a partner in the joint venture that purchased RC. The Company collected the full amount of the note receivable, plus interest, prior to December 31, 2021. Subsequent to the transaction, we have no further involvement in RC.

On October 14, 2021, Capital One Financial Corporation announced that it entered into a definitive agreement to purchase Triple Tree, LLC ("Triple Tree"), the investment banking subsidiary of Triple Tree Holdings, LLC ("TTH"). Cannae owns a 24.6% fully diluted interest in TTH. As a result of the sale, the two businesses comprising TTH became two separate organizations. TripleTree joined the Capital Markets group of Capital One Commercial Bank as a wholly owned subsidiary, operating under the current TripleTree brand. TTCP Management Services, LLC, continues as an independent, Minneapolis-based principal investor focused on healthcare technology and services. The transaction closed in November 2021 and we received $35.2 million of distributions from TTH related to the sale. In January 2022, we received an additional distribution of $14.0 million.

Related Party Transactions

Our financial statements for all years presented reflect transactions with FNF and our Manager. See Note R to our Consolidated Financial Statements included in Item 8 of Part II of this Annual Report for further discussion.

Critical Accounting Policies and Estimates

Our consolidated financial statements are prepared in accordance with U.S. GAAP. See Note A to our Consolidated Financial Statements included in Item 8 of Part II of this Annual Report for discussion of all our significant accounting policies.

The accounting policies and estimates described below are those we consider critical in preparing our Consolidated Financial Statements. Management is required to make estimates and assumptions that can affect the reported amounts of assets and liabilities and disclosures with respect to contingent assets and liabilities at the date of the Consolidated Financial Statements and the reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from those estimates.

Investments in unconsolidated affiliates - applicability of Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 323. Investments in unconsolidated affiliates are recorded using the equity method of accounting. If an investor does not possess a controlling financial interest over an investee but has the ability to exercise significant influence over the investee’s operating and financial policies, the investor must account for such an investment under the equity method of accounting. For investments in common stock or in-substance common stock of an investee, which an investor does not control, the general but rebuttable presumption exists that an ownership of greater than 20% of the outstanding equity of an investee indicates the investor has significant influence. For investments in partnerships and similar entities for which an investor does not control, equity method of accounting for the investment is generally required unless the investor's interest is so minor that the investor has virtually no influence.

In the ordinary course of our business, we make investments in companies that provide us with varying degrees of control and influence over the underlying investees through our level of ownership of the outstanding equity of the investee, participation in management of the investee, participation on the board of directors of investees, and/or legal agreements with other investors with control implications. As a result, our analysis of the appropriate accounting for our various ownership interests often requires judgment regarding the level of control, significant influence or lack thereof the Company has over each investee. If we are required to account at fair value for certain of our ownership interests in which we have concluded the Company has significant influence resulting in the application of the equity method of accounting, the impact of such change could significantly impact the Company's Consolidated Financial Statements.

For example, as of March 31, 2020, our voting agreement with Ceridian was terminated and, as a result, we are no longer able to exert influence over the composition and quantity of Ceridian's board of directors. In combination with the reduction in our ownership of Ceridian resulting from the sale of shares in February 2020, we no longer exercise significant influence over Ceridian. As of March 31, 2020, we began accounting for our investment in Ceridian at fair value pursuant to the investment in equity security guidance of ASC 321. The change resulted in the revaluation of our investment in Ceridian to its fair value of $993.4 million as of March 31, 2020 and recording a gain on such revaluation of $684.9 million (net of $47.1 million of before-tax losses reclassified from other comprehensive earnings), which is included in Recognized gains and losses, net on the Consolidated Statement of Operations for the year ended December 31, 2020.

As of December 31, 2021, we hold less than 20% of the outstanding common equity of Dun & Bradstreet but continue to account for our ownership interest under the equity method because we continue to exert significant influence through our 15.8% ownership, because certain of our senior management and directors serve on Dun & Bradstreet's board of directors, and because we are party to an agreement with other of its equity sponsors pursuant to which we have agreed to collectively vote together on all matters related to the election of directors to the Dun & Bradstreet board of directors for a period of three years.

As of December 31, 2021, the book value of our investment in D&B accounted for under the equity method of accounting is $595.0 million. Based on quoted market prices, the aggregate fair market value of our ownership of Dun & Bradstreet common stock was approximately $1.4 billion as of December 31, 2021.

As of December 31, 2021, we hold less than 20% of the outstanding common equity of Paysafe but we account for our ownership interest under the equity method because we exert significant influence: (a) through our 8.3% direct ownership, (b) because certain of our senior management and directors serve on Paysafe's board of directors, including the chairman of our Board, William P. Foley II, who is also the chairman of Paysafe's board of directors, and (c) because we are party to an agreement with other of its equity investors pursuant to which we have the ability to appoint or be consulted on the election of the majority of the total directors of Paysafe.

As of December 31, 2021, the book value of our investment in Paysafe accounted for under the equity method of accounting is $431.1 million. Based on quoted market prices, the aggregate fair market value of our ownership of Paysafe common stock was approximately $233.7 million as of December 31, 2021.

As of December 31, 2021, we hold less than 20% of the outstanding common equity of Alight but we account for our ownership under the equity method because we exert significant influence: (a) through our 10.0% direct and indirect ownership, (b) because certain of our senior management and directors serve on Alight's board of directors, including the chairman of our Board, William P. Foley II, who is also the chairman of Alight's board of directors, and (c) because we are party to an agreement with other of its equity investors pursuant to which we have the ability to appoint or be consulted on the election of the majority of the total directors of Alight.

As of December 31, 2021, the book value of our investment in Alight accounted for under the equity method of accounting is $505.0 million. Based on quoted market prices, the aggregate fair market value of direct and indirect our ownership of Alight common stock was approximately $567.3 million as of December 31, 2021.

Investments in unconsolidated affiliates - impairment monitoring. On an ongoing basis, management monitors our investments in unconsolidated affiliates to determine whether there are indications that the fair value of an investment may be other-than-temporarily below our recorded book value of the investment. Factors considered when determining whether a decline in the fair value of an investment is other-than-temporary include but are not limited to: the length of time and the extent to which the market value has been less than book value, the financial condition and near-term prospects of the investee, and the intent and ability of the Company to retain its investment in the investee for a period of time sufficient to allow for any anticipated recovery in market value.

As of September 30, 2021, the fair value of our investment in Paysafe based on quoted market prices was $418.8 million and the book value of our investment in Paysafe was $810.6 million prior to any impairment. Due to significant impairments recorded by Paysafe to its intangible assets in the three months ended September 30, 2021 and the quantum of the decrease in the fair market value of our investment, management determined the decrease in value of our investment in Paysafe was other-than-temporary. Accordingly, we recorded an impairment of $391.8 million in the three months ended September 30, 2021 which is included in Recognized (losses) gains, net, on our Consolidated Statement of Operations for the year ended December 31, 2021. As of December 31, 2021, the fair value of our investment in Paysafe based on quoted market prices has decreased to $233.7 million. As of the date of this Annual Report, management believes the decrease in the fair value of our investment in Paysafe is temporary and expects to recover the recorded book value of our investment. If Paysafe's results of operations, financial condition or market conditions in the payment processing industry deteriorate, we may be required to record an impairment to our recorded investment for Paysafe in future periods.

Valuation of investments. The fair values of financial instruments presented in the Consolidated Financial Statements are estimates of the fair values at a specific point in time using available market information and appropriate valuation methodologies. Estimates that utilize unobservable inputs are subjective in nature and involve uncertainties and significant judgment in the interpretation of current market data.

The fair value hierarchy established by the accounting standards on fair value measurements includes three levels, which are based on the priority of the inputs to the valuation technique. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Financial assets and liabilities that are recorded in the Consolidated Balance Sheets are categorized based on the inputs to the valuation techniques as follows:

Level 1. Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that we have the ability to access.

Level 2. Financial assets and liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.

Level 3. Financial assets and liabilities whose values are based on model inputs that are unobservable.

Recurring Fair Value Measurements

The following table presents our fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of December 31, 2021 and 2020, respectively:

	December 31, 2021			
	Level 1	Level 2	Level 3	Total
	(In millions)			
Assets:				
Equity securities:				
Ceridian	$ 1,044.6	$ —	$ —	$ 1,044.6
AAII FPA	—	—	0.5	0.5
Total equity securities	1,044.6	—	0.5	1,045.1
Other noncurrent assets:				
S1 Backstop Agreement	—	12.0	—	12.0
Paysafe Warrants	5.4	—	—	5.4
AAII Warrants	—	19.3	—	19.3
Total other noncurrent assets	5.4	31.3	—	36.7
Total Assets	$ 1,050.0	$ 31.3	$ 0.5	$ 1,081.8

	December 31, 2020			
	Level 1	Level 2	Level 3	Total
	(In millions)			
Fixed-maturity securities available for sale:				
Corporate debt securities	$ —	$ —	$ 35.2	$ 35.2
Equity securities:				
Ceridian	1,491.8	—	—	1,491.8
Forward Purchase Agreements	—	—	136.1	136.1
Paysafe Subscription Agreement	—	—	169.6	169.6
Other	1.6	—	—	1.6
Total assets	$ 1,493.4	$ —	$ 340.9	$ 1,834.3

AAII FPA

The AAII FPA is accounted for at fair value pursuant to ASC Topic 321. We utilized a Monte Carlo Simulation in determining the fair value of this agreement, which is considered to be a Level 3 fair value measurement. The Monte Carlo Simulation model simulates the current security price to a simulated date for the consummation of the underlying initial business combination based on probabilities of consummation. The value of the agreement is then calculated as the difference between the future simulated price and the fixed purchase price for the underlying security to be purchased. The primary unobservable input utilized in determining the fair value of the AAII FPA is the probability of consummation of the AAII Initial Business Combination. The probability assigned to the consummation of the AAII Initial Business Combination was 80%. Determination of such probability is based on a hybrid approach which considers observed success rates of business combinations for SPACs, the sponsor of AAII's track record for consummating similar transactions and the current market for SPAC transactions. Based on the total fair value of the AAII FPA as of December 31, 2021, changes in the probability utilized will not result in a change in fair value that is significant or material to the Company's financial position or results of operations.

AAII Warrants

The AAII Warrants are accounted for at fair value pursuant to ASC Topic 815 Derivatives and Hedging. These private placement warrants are valued using the trading price of AAII's publicly traded warrants (NYSE: ASZ-WT) and are considered a Level 2 fair value measurement.

S1 Backstop Agreement

The S1 Backstop Agreement is considered a written option and accounted for at fair value. We utilized a Black-Scholes option pricing formula to determine the fair value of the S1 Backstop Agreement, which is considered to be a Level 2 fair value measurement. The value is calculated based on the common stock price of Trebia, the amount of time the S1 Backstop Agreement is expected to be outstanding, risk free rates and the volatility of the underlying common stock of Trebia.

The following table presents a summary of the changes in the fair values of Level 3 assets, measured on a recurring basis.

	Year Ended December 31, 2021				
	Corporate debt securities	**Forward Purchase Agreements**	**Subscription Agreements**	**AAII Warrants**	**Total**
Fair value, beginning of period	$ 35.2	$ 136.1	$ 169.6	$ —	340.9
Recognized gain on settlement (1)	1.5	—	—	—	1.5
Net valuation (loss) gain included in earnings (1)	—	(24.2)	7.7	(8.9)	(25.4)
Reclassification to investments in unconsolidated affiliates and Warrants	—	(111.4)	(177.3)	—	(288.7)
Purchase of AAII Warrants	—	—	—	29.6	29.6
Net valuation gain included in other comprehensive earnings (2)	0.6	—	—	—	0.6
Transfers to Level 2	—	—	—	(20.7)	(20.7)
Redemption of corporate debt securities	(37.3)	—	—	—	(37.3)
Fair value, end of period	$ —	$ 0.5	$ —	$ —	$ 0.5

	Year Ended December 31, 2020			
	Corporate debt securities	**Forward Purchase Agreements**	**Subscription Agreements**	**Total**
Fair value, beginning of period	$ 19.2	$ —	$ —	$ 19.2
Paid-in-kind dividends	1.3	—	—	1.3
Net valuation gain included in earnings (1)	—	136.1	169.6	305.7
Net valuation gain included in other comprehensive earnings (2)	14.7	—	—	14.7
Fair value, end of period	$ 35.2	$ 136.1	$ 169.6	$ 340.9

(1) Included in Recognized gains and (losses), net on the Consolidated Statements of Operations
(2) Included in Unrealized gain on investments and other financial instruments, net (excluding investments in unconsolidated affiliates) on the Consolidated Statements of Comprehensive Earnings (Loss)

Accounting for Income Taxes. We recognize deferred tax assets and liabilities for temporary differences between the financial reporting basis and the tax basis of our assets and liabilities and expected benefits of utilizing net operating loss and credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The impact of changes in tax rates and laws on deferred taxes, if any, is applied to the years during which temporary differences are expected to be settled and reflected in the financial statements in the period enacted.

Refer to Note L to our Consolidated Financial Statements included in Item 8 of Part II of this Annual Report for further discussion of our accounting for income taxes.

Certain Factors Affecting Comparability

Year ended December 31, 2021. On July 30, 2021, we closed on the sale of VIBSQ's net assets. On September 1, 2021, we closed on the sale of certain net assets of RC and its subsidiaries. On September 3, 2021, we closed on the sale of Legendary Baking. Our consolidated results of operations for the year ended December 31, 2021 include the results of operations of VIBSQ, RC and Legendary Baking through their respective dates of sale.

Year ended December 31, 2020. On January 27, 2020, American Blue Ribbon Holdings, LLC ("Blue Ribbon") began a reorganization under Chapter 11 of the United States Bankruptcy Code (the "Blue Ribbon Reorganization") and we deconsolidated Blue Ribbon. On October 2, 2020, the Chapter 11 Plan became effective and Blue Ribbon emerged from bankruptcy as a set of reorganized companies. Upon Blue Ribbon's emergence from bankruptcy, we acquired the assets and uncompromised liabilities of Legendary Baking and VIBSQ in exchange for $15.5 million of the outstanding balance under the previously outstanding debtor-in-possession loan. Subsequent to Blue Ribbon's emergence from bankruptcy, we owned 100% of the equity of VIBSQ and Legendary Baking. Our consolidated results of operations for the year ended December 31, 2020 include the consolidated results of operations of Blue Ribbon from January 1, 2020 through January 27, 2020 and of Legendary Baking and VIBSQ from October 2, 2020 through December 31, 2020.

Year ended December 31, 2019. On December 31, 2019, we completed the contribution of T-System Holdings, Inc. ("T-System") to CorroHealth. As a result of the contribution, we reclassified the results of operations of T-System to discontinued operations for the year ended December 31, 2019 in our Consolidated Statements of Operations.

Results of Operations

Consolidated Results of Operations

Net earnings. The following table presents certain financial data for the years indicated:

	Year ended December 31,		
	2021	2020	2019
		(In millions)	
Revenues:			
Restaurant revenue	$ 704.7	$ 559.7	$ 1,043.3
Other operating revenue	37.5	26.0	26.7
Total operating revenues	742.2	585.7	1,070.0
Operating expenses:			
Cost of restaurant revenue	617.4	524.3	912.8
Personnel costs	80.1	94.8	90.3
Depreciation and amortization	26.6	30.7	40.7
Other operating expenses, including asset impairments	151.6	116.6	133.4
Goodwill impairment	—	7.8	10.4
Total operating expenses	875.7	774.2	1,187.6
Operating loss	(133.5)	(188.5)	(117.6)
Other income (expense):			
Interest, investment and other income	21.1	17.2	15.6
Interest expense	(9.8)	(9.0)	(17.8)
Recognized (losses) gains, net	(310.8)	2,362.2	357.7
Total other (expense) income	(299.5)	2,370.4	355.5
(Loss) earnings from continuing operations before income taxes and equity in (losses) earnings of unconsolidated affiliates	(433.0)	2,181.9	237.9
Income tax (benefit) expense	(74.0)	481.2	24.2
(Loss) earnings from continuing operations before equity in earnings (losses) of unconsolidated affiliates	(359.0)	1,700.7	213.7
Equity in earnings (losses) of unconsolidated affiliates	72.6	59.1	(115.1)
(Loss) earnings from continuing operations	(286.4)	1,759.8	98.6
Net loss from discontinued operations, net of tax	—	—	(51.8)
Net (loss) earnings	(286.4)	1,759.8	46.8
Less: Net earnings (loss) attributable to non-controlling interests	0.6	(26.4)	(30.5)
Net (loss) earnings attributable to Cannae Holdings, Inc. common shareholders	$ (287.0)	$ 1,786.2	$ 77.3

Revenues

Total revenue in 2021 increased $156.5 million compared to 2020, primarily driven by an increase in revenue in the Restaurant Group segment. Total revenue in 2020 decreased $484.3 million compared to 2019, primarily driven by a decline in revenue in our Restaurant Group segment.

The change in revenues from our segments is discussed in further detail at the segment level below.

Expenses

Our operating expenses consist primarily of personnel costs, cost of restaurant revenue, other operating expenses, and depreciation and amortization.

Personnel costs include base salaries, commissions, benefits, stock-based compensation and bonuses paid to employees, and are one of our most significant operating expenses. Personnel costs that are directly attributable to the operations of the Restaurant Group are included in Cost of restaurant revenue.

Cost of restaurant revenue includes cost of food and beverage, primarily the costs of beef, groceries, produce, seafood, poultry and alcoholic and non-alcoholic beverages, net of vendor discounts and rebates, payroll and related costs and expenses directly relating to restaurant level activities, and restaurant operating costs including occupancy and other operating expenses at the restaurant level.

Other operating expenses include professional fees, advertising costs, travel expenses and impairments of operating assets.

Depreciation and amortization expense consists of our depreciation related to investments in property and equipment as well as amortization of intangible assets.

The change in expenses from our segments is discussed in further detail at the segment level below.

Income tax (benefit) expense on continuing operations was $(74.0) million, $481.2 million, and $24.2 million for the years ended December 31, 2021, 2020, and 2019, respectively. The effective tax rate for the years ended December 31, 2021, 2020, and 2019 was 17.1%, 22.1%, and 10.2%, respectively. The change in the effective tax rate in all periods is primarily attributable to the varying impact of earnings or losses from unconsolidated affiliates on our consolidated pretax earnings or losses. The fluctuation in income tax benefit as a percentage of earnings from continuing operations before income taxes is attributable to our estimate of ultimate income tax liability and changes in the characteristics of net earnings year to year, such as the weighting of operating income versus investment income.

For a detailed breakout of our effective tax rate and further discussion on changes in our taxes, see Note L to our Consolidated Financial Statements included in Item 8 of Part II of this Annual Report.

Other

Recognized gains and (losses), net totaled $(310.8) million, $2,362.2 million, and $357.7 million for the years ended December 31, 2021, 2020, and 2019, respectively. The net recognized loss for the year ended December 31, 2021 is primarily attributable to a $391.8 million impairment on our equity ownership interest in Paysafe, mark to market adjustments on our equity securities, and mark to market adjustments of $35.1 million to our Paysafe and AAII warrants, partially offset by a gain of $111.1 million on our sale of shares of D&B. The net recognized gain for the year ended December 31, 2020 is primarily attributable to gains on equity securities, a gain of $223.1 million on the sale of a portion of our investment in Ceridian in February 2020, and a non-cash gain of $117.0 million recorded in conjunction with the D&B's initial public offering ("IPO"). See Note D to our Consolidated Financial Statements included in Item 8 of this Annual Report for further details on gains and losses recognized on equity securities in the years ended December 31, 2021 and 2020. The $223.1 million gain on sale of Ceridian in February 2020 occurred prior to our change in accounting for our investment in Ceridian as an equity security at fair value in March 2020. The net recognized gain for the year ended December 31, 2019 is primarily attributable to $342.1 million of gains on sales of Ceridian shares.

Equity in earnings (losses) of unconsolidated affiliates for the periods indicated consisted of the following (in millions):

	Year Ended December 31,		
	2021	2020	2019
Dun & Bradstreet	$ (13.5)	$ (46.8)	$ (132.8)
Paysafe/FTAC II Sponsor	53.3	—	—
Alight/FTAC Sponsor	38.2	—	—
Ceridian (1)	—	1.5	16.4
Optimal Blue	(13.8)	(9.4)	—
Senator JV	(1.2)	—	—
AmeriLife	(8.7)	(4.0)	—
Sightline	(2.4)	—	—
Other	20.7	117.8	1.3
Total	$ 72.6	$ 59.1	$ (115.1)

(1) The amount for the year ended December 31, 2020 represents the Company's equity in earnings of Ceridian in the three months ended March 31, 2020 prior to the change in accounting for the investment beginning March 31, 2020.

Net Earnings

Net earnings attributable to Cannae decreased $2,073.2 million in the year ended December 31, 2021, compared to 2020. Total net earnings attributable to Cannae increased $1,708.9 million in the year ended December 31, 2020, compared to 2019.

The change in net earnings is attributable to the factors discussed above and net earnings from the segments is discussed in further detail at the segment level below.

Segment Results of Operations

Restaurant Group

The following table presents the results from operations of our Restaurant Group segment:

	Year Ended December 31,		
	2021	2020	2019
		(In millions)	
Revenues:			
Restaurant revenue	$ 704.7	$ 559.7	$ 1,043.3
Operating expenses:			
Cost of restaurant revenue	617.4	524.3	912.8
Personnel costs	34.5	31.2	52.1
Depreciation and amortization	24.0	27.7	38.5
Other operating expenses, including asset impairments	40.4	53.1	108.9
Goodwill impairment	—	7.8	10.4
Total operating expenses	716.3	644.1	1,122.7
Operating loss	(11.6)	(84.4)	(79.4)
Other expense:			
Interest expense	(8.8)	(8.6)	(5.4)
Recognized gains and losses, net	2.1	7.5	3.9
Total other expense	(6.7)	(1.1)	(1.5)
Loss from continuing operations before income taxes and equity in earnings (losses) of unconsolidated affiliates	(18.3)	(85.5)	(80.9)

Total revenues for the Restaurant Group segment increased $145.0 million, or 25.9%, in the year ended December 31, 2021 from 2020. The increase was primarily driven by an increase in comparable store sales driven by the reduced impact of social restrictions imposed by state and local governments in connection with COVID-19 in 2021 compared to 2020. Total revenues for the Restaurant Group segment decreased $483.6 million, or 46.4%, in the year ended December 31, 2020 from 2019. The decrease was primarily driven by: (1) decreased revenue related to the Blue Ribbon Reorganization, which resulted in the deconsolidation of Blue Ribbon for the period from January 27, 2020 through October 2, 2020, (2) the closing or sale of company-owned restaurants primarily associated with our O'Charley's, Village Inn and Bakers Square concepts subsequent to December 31, 2019 and (3) a decrease in comparable store sales driven by social restrictions imposed by state and local governments in connection with COVID-19 in March 2020, which resulted in the closing of dining rooms for substantially all of our restaurants from late March 2020 and into May 2020. The decrease was partially offset by an overall increase in the average guest check in the year ended December 31, 2020 compared to 2019.

Revenue associated with our Legendary Baking, Village Inn, and Baker's Square brands was $62.0 million, $53.1 million, and $312.5 million, respectively, in the years ended December 31, 2021, 2020, and 2019, respectively. Revenue recorded for these brands in the year ended December 31, 2021 represents these brands' revenues through their respective dates of sales in the third quarter of 2021 and subsequent run-off sales of the remaining inventory of Legendary Baking. Revenue recorded for these brands in the year ended December 31, 2020 represents Blue Ribbon's revenue for the period from January 1, 2020 through January 27, 2020, the date of Blue Ribbon's filing for bankruptcy, and the brands' revenues for the period from October 2, 2020 through December 31, 2020.

Comparable Store Sales. One method we use in evaluating the performance of our restaurants is to compare sales results for restaurants period over period. A new restaurant is included in our comparable store sales figures starting in the first period following the restaurant's first seventy-eight weeks of operations. Changes in comparable store sales reflect changes in sales for the comparable store group of restaurants over a specified period of time. This measure highlights the performance of existing restaurants, as the impact of new restaurant openings is excluded. Comparable store sales for our 99 Restaurants brand changed 39.4%, (32.8)%, and (0.4)% in the years ended December 31, 2021, 2020 and 2019, respectively, from the prior fiscal years. The increase in 2021 is primarily attributable to increased guest counts resulting from the loosening of COVID-19 restrictions and an increase in the average amount spent by customers each visit. The decrease in 2020 is primarily attributable COVID-19 restrictions. Comparable store sales for our O'Charley's brand changed 24.7%, (22.5)% and (2.5)% in the years ended December 31, 2021, 2020 and 2019, respectively, from the prior fiscal years. The increase in 2021 is primarily attributable to increased guest counts resulting from the abatement of COVID-19 restrictions and an increase in the average amount spent by customers each visit. The decrease in 2020 is primarily attributable to lower guest counts resulting from COVID-19.

Cost of restaurant revenue increased $93.1 million, or 17.8%, in the year ended December 31, 2021 from 2020. Cost of restaurant revenue decreased $388.5 million, or 42.6%, in the year ended December 31, 2020 from 2019. Cost of restaurant revenue as a percentage of restaurant revenue was approximately 87.6%, 93.7%, and 87.5% in the years ended December 31, 2021, 2020 and 2019, respectively. The decrease in cost of restaurant revenue as a percentage of restaurant revenue in 2021 compared to 2020 and the increase in cost of restaurant revenue as a percentage of restaurant revenue in 2020 compared to 2019 is primarily attributable to the impact of unavoidable costs on the substantial decrease in revenue in 2020 discussed above.

Personnel costs decreased by $20.9 million, or 40.1%, in the year ended December 31, 2020 from 2019. The decrease is primarily attributable to the Blue Ribbon Reorganization.

Other operating expenses decreased by $12.7 million, or 23.9%, in the year ended December 31, 2021 from 2020. The decrease is primarily attributable to a decrease of $11.0 million related to lower impairments of assets and a decrease of $8.6 million in professional fees. The decreases were offset by increased expenses associated with consolidating VIBSQ and LB's results of operations for approximately 9 months in 2021 compared to approximately 3 months in 2020. Other operating expenses decreased by $55.8 million, or 51.2%, in the year ended December 31, 2020 from 2019. The decrease is primarily attributable to the Blue Ribbon Reorganization and cost saving measures taken in response to COVID-19.

Loss from continuing operations before income taxes decreased $67.2 million in the year ended December 31, 2021 from 2020. Loss from continuing operations before income taxes increased $4.6 million in the year ended December 31, 2020 from 2019. The change in losses is primarily attributable to the factors discussed above.

Dun & Bradstreet

We own a 15.8% interest in Dun & Bradstreet and account for our ownership interest in D&B under the equity method of accounting; therefore, its results of operations do not consolidate into ours.

Summarized financial information for Dun & Bradstreet and Star Parent, L.P. ("Star Parent"), the former parent of D&B through which we acquired our ownership position prior to D&B's IPO, for the relevant dates and time periods included in Equity in earnings (losses) of unconsolidated affiliates in our Consolidated Statements of Operations is presented below. We acquired our initial interest in Star Parent on February 8, 2019. The results of operations for the year ended December 31, 2019 presented below represent Star Parent's results of operations subsequent to our acquisition.

	Year ended December 31, 2021	Year ended December 31, 2020	For the period from February 8, 2019 to December 31, 2019
	(In millions)		
Total revenues	$ 2,165.6	$ 1,738.7	$ 1,413.9
Loss before income taxes	(45.2)	(226.4)	(540.0)
Net loss	(65.9)	(111.6)	(425.8)
Dividends attributable to preferred equity and noncontrolling interest expense	(5.8)	(69.0)	(120.5)
Net loss attributable to Dun & Bradstreet and Star Parent	(71.7)	(180.6)	(546.3)

Details relating to the results of operations of Dun & Bradstreet (NYSE: "DNB") can be found in its periodic reports filed with the SEC.

Paysafe

On March 30, 2021, we closed on the acquisition of our 8.3% ownership interest in Paysafe. We account for our ownership of Paysafe under the equity method of accounting and report our equity in the earnings or loss of Paysafe on a three-month lag; therefore, its results do not consolidate into ours. Accordingly, our net loss for the year ended December 31, 2021 includes our equity in Paysafe’s losses for the period from March 30, 2021 through September 30, 2021.

Summarized financial information for Paysafe for the relevant dates and time periods included in Equity in earnings (losses) of unconsolidated affiliates in our Consolidated Statements of Operations is presented below.

	For the period from March 30, 2021 to September 30, 2021
	(In millions)
Total revenues	$ 737.9
Operating loss	(261.6)
Net loss	(140.3)
Net earnings attributable to noncontrolling interest	0.3
Net loss attributable to Paysafe	(140.6)

Details relating to the results of operations of Paysafe (NYSE: "PSFE") can be found in its periodic reports filed with the SEC.

Alight

On July 2, 2021, we closed on the acquisition of our 10% ownership interest in Alight. We account for our ownership of Alight under the equity method of accounting and report our equity in earnings or loss of Alight on a three-month lag; therefore, its results do not consolidate into ours. Accordingly, our net loss for the year ended December 31, 2021 includes our equity in Alight’s losses for the period from July 2, 2021 through September 30, 2021.

Summarized financial information for Alight for the relevant dates and time periods included in Equity in earnings (losses) of unconsolidated affiliates in our Consolidated Statements of Operations is presented below.

	For the period from July 2, 2021 through September 30, 2021
	(In millions)
Total revenues	$ 690.0
Operating income	25.0
Net loss	(120.0)
Net loss attributable to noncontrolling interests	(13.0)
Net loss attributable to Alight	(107.0)

Details relating to the results of operations of Alight (NYSE: "ALIT") can be found in its periodic reports filed with the SEC.

Corporate and Other

The Corporate and Other segment consists of our share in the operations of certain controlled businesses and other equity investments, activity of the corporate holding company and certain intercompany eliminations and taxes.

The following table presents the results from operations of our Corporate and Other segment:

	Year ended December 31,		
	2021	2020	2019
	(In millions)		
Revenues:			
Other operating revenue	$ 37.5	$ 26.0	$ 26.7
Operating expenses:			
Personnel costs	45.6	63.6	38.2
Depreciation and amortization	2.6	3.0	2.2
Other operating expenses	111.2	63.5	24.5
Total operating expenses	159.4	130.1	64.9
Operating loss	(121.9)	(104.1)	(38.2)
Other income (expense):			
Interest, investment and other income	21.1	17.2	15.6
Interest expense	(1.0)	(0.4)	(12.4)
Recognized gains and losses, net	(312.9)	2,354.7	353.8
Total other (expense) income	(292.8)	2,371.5	357.0
(Loss) earnings from continuing operations before income taxes and equity in losses of unconsolidated affiliates	(414.7)	2,267.4	318.8

Personnel costs decreased $18.0 million, or 28.3%, in the year ended December 31, 2021 compared to 2020, and increased $25.4 million, or 66.5%, in the year ended December 31, 2020 compared to 2019. The change in both periods is primarily driven by a change in investment success bonuses paid related to our sales of shares of Ceridian.

Other operating expenses increased $47.7 million, or 75.1%, in the year ended December 31, 2021 compared to 2020 and increased $39.0 million, or 159.2%, in the year ended December 31, 2020 compared to 2019. The increase in 2021 from 2020 was primarily attributable to an increase in management fees and carried interest incurred with our Manager. The increase in 2020 from 2019 is primarily attributable to $20.8 million of management fee expenses and $11.3 million of carried interest on distributions from the Senator JV and sales of other investments incurred with our Manager.

Interest expense decreased $12.0 million in the year ended December 31, 2020 from 2019. The decrease was attributable to a decrease in corporate debt outstanding. See Note K to our Consolidated Financial Statements included in Item 8 of Part II of this Annual Report for further discussion of our outstanding debt.

The net recognized loss for the year ended December 31, 2021 is primarily attributable to a $391.8 million impairment on our equity ownership interest in Paysafe, mark to market adjustments on our equity securities, and mark to market losses of $35.1 million on our Paysafe and AAII warrants, partially offset by a gain of $111.1 million on our sale of shares of D&B. The net recognized gain for the year ended December 31, 2020 is primarily attributable to gains on equity securities, a gain of $223.1 million on the sale of a portion of our investment in Ceridian in February 2020 and a non-cash gain of $117.0 million recorded in conjunction with the D&B IPO. See Note D to our Consolidated Financial Statements included in Item 8 of this Annual Report for further details on gains and losses recognized on equity securities in the years ended December 31, 2021 and 2020. The $223.1 million gain on sale of Ceridian in February 2020 occurred prior to our change in accounting for our investment in Ceridian as an equity security at fair value in March 2020. The net recognized gain for the year ended December 31, 2019 is primarily attributable to $342.1 million of gains on sales of Ceridian shares.

Discontinued Operations

As a result of our contribution of T-System to CorroHealth, the financial results of T-System have been reclassified to discontinued operations. See Note N to our Consolidated Financial Statements included in Item 8 of Part II of this Annual Report for further details on amounts included in discontinued operations for the year ended December 31, 2019.

Liquidity and Capital Resources

Cash Requirements. Our current cash requirements include personnel costs, operating expenses, taxes, capital expenditures, the AAII FPA and business acquisitions. There are no restrictions on our retained earnings regarding our ability to pay dividends to stockholders, although there are limits on the ability of certain subsidiaries to pay dividends to us, as a result of provisions in certain debt agreements. The declaration of any future dividends is at the discretion of our Board of Directors. Additional uses of cash flow are expected to include stock repurchases, acquisitions, and debt repayments.

As of December 31, 2021, we had cash and cash equivalents of $85.8 million, of which $48.1 million was cash held by the corporate holding company, and $300.0 million of available borrowing capacity under our existing holding company credit facilities with the ability to add an additional $200.0 million of borrowing capacity by amending our 2020 Margin Facility.

We continually assess our capital allocation strategy, including decisions relating to reducing debt, repurchasing our stock, and/or conserving cash. We believe that all anticipated cash requirements for current operations will be met from internally generated funds, cash dividends from subsidiaries, cash generated by investment securities, potential sales of non-strategic assets, and borrowings on existing credit facilities. Our short-term and long-term liquidity requirements are monitored regularly to ensure that we can meet our cash requirements. We forecast the needs of all of our subsidiaries and periodically review their short-term and long-term projected sources and uses of funds, as well as the asset, liability, investment and cash flow assumptions underlying such forecasts.

The Company believes the holding company's balances of cash, cash equivalents and unrestricted marketable securities, which totaled $575.8 million as of December 31, 2021 (excluding marketable securities we account for as unconsolidated affiliates), along with cash generated by ongoing operations and continued access to debt markets, will be sufficient to satisfy its cash requirements over the next 12 months and beyond.

We are focused on evaluating our assets and investments as potential vehicles for creating liquidity. Our intent is to use that liquidity for general corporate purposes, including, funding future investments, other strategic initiatives and/or conserving cash.

Operating Cash Flows. Our cash flows used in operations for the years ended December 31, 2021, 2020, and 2019 were $176.1 million, $113.9 million and $84.2 million, respectively. The increase in cash used in operations of $62.2 million from 2021 to 2020 is primarily attributable to increased management fees and carried interest paid to our Manager. The decrease in cash provided by operations of $29.7 million from 2020 to 2019 is primarily attributable to increased payments for income taxes of $59.0 million and increased losses in our Restaurant Group, excluding non-cash impairments, partially offset by a decrease in operating lease payments of $21.3 million. The remainder of the variance is attributable to the timing of payment and receipt of accounts payable and receivable.

Investing Cash Flows. Our cash flows used in investing activities for the years ended December 31, 2021, 2020, and 2019 were $272.4 million, $74.2 million and $24.2 million, respectively. The increase in cash used in investing activities of $198.2 million from 2021 to 2020 is primarily attributable to increased investments in new businesses including Paysafe, Alight and Sightline, and decreased proceeds from sales of Ceridian stock, partially offset by increased distributions from unconsolidated affiliates and a partial sale of D&B shares. The increase in cash used in investing activities of $50.0 million from 2020 to 2019 is primarily attributable to an increase in new investments in unconsolidated investments, including our investments in AmeriLife, Optimal Blue and in a private placement associated with D&B's IPO, partially offset by an increase in proceeds from sales of Ceridian stock in 2020 compared to 2019.

Capital Expenditures. Total capital expenditures for property and equipment and other intangible assets were $13.7 million, $22.3 million and $28.3 million for the years ended December 31, 2021, 2020, and 2019, respectively. Capital expenditures in in all years primarily consisted of purchases of property and equipment in our Restaurant Group segment and property improvements at our real estate operations. Expenditures in 2020 also include the Company's purchase of our corporate headquarters for $9.3 million.

Financing Cash Flows. Our cash flows (used in) provided by financing activities for the years ended December 31, 2021, 2020, and 2019 were $(190.4) million, $379.1 million and $319.1 million, respectively. The decrease in cash provided by (increase in cash used in) financing activities of $569.5 million from 2021 compared to 2020 is primarily attributable to proceeds from our equity offering in 2020 and increased purchases of treasury stock in 2021. The increase in cash provided by financing activities of $60.0 million from 2020 compared to 2019 is primarily attributable to $455.0 million of net proceeds from our equity offering in 2020 compared to $236.0 million from our 2019 equity offering, partially offset by a net decrease in debt proceeds net of service payments of $140.1 million in 2020 compared to 2019, and a $9.5 million increase in cash paid for purchases of Treasury stock in 2020 compared to 2019.

Financing Arrangements. For a description of our historical financing arrangements see Note K to our Consolidated Financial Statements included in Item 8 of Part II of this Annual Report.

Contractual Obligations. Our long term contractual obligations generally include our credit agreements and debt facilities, lease payments and financing obligations on certain of our premises and equipment, purchase obligations of the Restaurant Group and payments to our Manager.

See Note B to our Consolidated Financial Statements included in Item 8 of Part II of this Annual Report for further discussion of our leasing arrangements.

Pursuant to the terms of the Management Services Agreement between Cannae LLC and our Manager, Cannae LLC is obligated to pay our Manager a quarterly management fee equal to 0.375% (1.5% annualized) of the Company's cost of invested capital (as defined in the Management Services Agreement) as of the last day of each fiscal quarter, payable in arrears in cash, as may be adjusted pursuant to the terms of the Management Services Agreement. Management fees payable to our Manager are included for the initial 5-year term of the Management Services Agreement that began in September 2019 and are based on our cost of invested capital of $2,569.9 million as of December 31, 2021.

Purchase obligations include agreements to purchase goods or services that are enforceable, are legally binding and specify all significant terms, including fixed or minimum quantities to be purchased; fixed, minimum or variable price provisions; and the approximate timing of the transaction. The Restaurant Group has unconditional purchase obligations with various vendors, primarily related to food and beverage obligations with fixed commitments in regards to the time period of the contract and the quantities purchased with annual price adjustments that can fluctuate. Future purchase obligations are estimated by assuming historical purchase activity over the remaining, non-cancellable terms of the various agreements. For agreements with minimum purchase obligations, at least the minimum amounts we are legally required to purchase are included. These agreements do not include fixed delivery terms. We used both historical and projected volume and pricing as of December 31, 2021 to determine the amount of the obligations.

Restaurant Group financing obligations include its agreements to lease its corporate office and certain O'Charley's restaurant locations that are accounted for as failed sale and leaseback transactions.

As of December 31, 2021, our required annual payments relating to these contractual obligations were as follows:

	2022	2023	2024	2025	2026	Thereafter	Total
Unconditional purchase obligations	$ 94.3	$ 8.6	$ 6.4	$ 6.3	$ 6.4	$ 0.8	$ 122.8
Operating lease payments	36.1	32.9	25.1	22.1	20.2	132.6	269.0
Notes payable	2.2	0.8	1.1	0.8	10.6	1.6	17.1
Management fees payable to Manager	38.5	38.5	32.1	—	—	—	109.1
Restaurant Group financing obligations	3.3	3.4	3.4	3.4	3.5	24.2	41.2
Total	$ 174.4	$ 84.2	$ 68.1	$ 32.6	$ 40.7	$ 159.2	$ 559.2

Capital Stock Transactions. For information on our 2019 Repurchase Program and 2021 Repurchase Program, see discussion under the header *Purchases of Equity Securities by the Issuer* included in Item 5 of Part II of this Annual Report.

Recent Accounting Pronouncements

For a description of recent accounting pronouncements, see Note S to our Consolidated Financial Statements included in Item 8 of Part II of this Annual Report.

Item 7A. *Quantitative and Qualitative Disclosure about Market Risk*

Equity Price Risk

We are exposed to market price fluctuations associated with the Company's equity securities holdings. Equity price risk is the risk that we will incur economic losses due to adverse changes in equity prices. At December 31, 2021, we held $1,045.1 million in equity securities which are recorded at fair value. The carrying values of investments subject to equity price risks are directly derived from, or valued in part using, quoted market prices. See Note C to our Consolidated Financial Statements for further discussion of our fair value measurements for equity securities. Market prices are subject to fluctuation and, consequently, the amount realized in the subsequent sale of an investment may significantly differ from the reported market value. Fluctuation in the market price of a security may result from perceived changes in the underlying economic characteristics of the investee, the relative price of alternative investments and general market conditions. Furthermore, amounts realized in the sale of a particular security may be affected by the relative quantity of the security being sold.

For purposes of this Annual Report, we perform a sensitivity analysis to determine the effects that market risk exposures may have on the fair values of our equity securities. At December 31, 2021, a 20% increase (decrease) in market prices, with all other variables held constant, would result in an increase (decrease) in the fair value of our equity securities portfolio of $209.0 million

Commodity Price Risk

In our Restaurant Group segment, we are exposed to market price fluctuations in beef, seafood, produce and other food product prices. Given the historical volatility of beef, seafood, produce and other food product prices, these fluctuations can materially impact the food and beverage costs incurred in our Restaurant Group segment. While our Restaurant Group companies have taken steps to qualify multiple suppliers who meet our standards as suppliers for our restaurants and have entered into agreements with suppliers for some of the commodities used in our restaurant operations, there can be no assurance that future supplies and costs for such commodities will not fluctuate due to weather and other market conditions outside of our control. Consequently, such commodities can be subject to unforeseen supply and cost fluctuations. Dairy costs can also fluctuate due to government regulation. Because we typically set our menu prices in advance of our food product prices, our menu prices cannot immediately incorporate changing costs of food items. To the extent that we are unable to pass the increased costs on to our guests through price increases, our results of operations would be adversely affected. We do not use financial instruments to hedge our risk to market price fluctuations in beef, seafood, produce and other food product prices at this time.

Item 8. ***Financial Statements and Supplementary Data***

CANNAE HOLDINGS, INC.

INDEX TO FINANCIAL INFORMATION

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Cannae Holdings, Inc.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Cannae Holdings, Inc. and subsidiaries (the “Company”) as of December 31, 2021, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2021, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”), the consolidated financial statements as of and for the year ended December 31, 2021, of the Company and our report dated February 25, 2022, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP

Las Vegas, Nevada
February 25, 2022

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Cannae Holdings, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Cannae Holdings, Inc. and subsidiaries (the "Company") as of December 31, 2021 and 2020, the related consolidated statements of operations, comprehensive earnings, equity, and cash flows, for each of the three years in the period ended December 31, 2021, and the related notes (collectively referred to as the "financial statements"). In our opinion, based on our audits and the report of the other auditors, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2021, in conformity with accounting principles generally accepted in the United States of America.

We did not audit the consolidated financial statements of Dun and Bradstreet Holdings, Inc. ("Dun & Bradstreet"), the Company's investment in which is accounted for by use of the equity method. The accompanying financial statements of the Company include its equity investment in Dun & Bradstreet of $595.0 million and $653.2 million as of December 31, 2021 and 2020, respectively, and its equity in losses in Dun & Bradstreet of $13.5 million, $46.8 million and $132.8 million for the years ended December 31, 2021, 2020 and 2019, respectively. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Dun & Bradstreet, is based solely on the report of the other auditors.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the Company's internal control over financial reporting as of December 31, 2021, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 25, 2022, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits and the report of the other auditors provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Investments in Unconsolidated Affiliates in Paysafe and Alight — Refer to Notes A and D to the financial statements

Critical Audit Matter Description

As of December 31, 2021, the Company owns directly and indirectly approximately 8.3% and 10.0% of the outstanding common equity of Paysafe Limited ("Paysafe") and Alight, Inc. ("Alight"), respectively. The Company funded its investments in Paysafe and Alight on March 30, 2021 and July 2, 2021, respectively, pursuant to subscription and forward purchase agreements which were previously accounted for under ASC 321, *Investments – Equity Securities*. As of December 31, 2021, the carrying value of the Company's investments in unconsolidated affiliates recorded using the equity method of accounting in Paysafe and Alight was $431.1 million and $505.0 million, respectively.

The Company concluded that it can exert significant influence over Paysafe and Alight: a) through the Company's direct and indirect ownership interests; b) because certain of the Company's senior management and directors serve on the board of directors; and c) because the Company is party to agreements with other of its equity investors pursuant to which they have the ability to appoint or be consulted on the election of the majority of the total directors of Paysafe and Alight.

Additionally, on an ongoing basis, management monitors the Company's investments in unconsolidated affiliates to determine whether there are indications that the fair value of an investment may be other-than-temporarily below the recorded book value of the investment. As of September 30, 2021, the fair value of the Company's investment in Paysafe based on quoted market prices was $418.8 million and the book value of the Company's investment in Paysafe was $810.6 million prior to any impairment. Due to significant impairments recorded by Paysafe to its intangible assets in the three-months ended September 30, 2021 and the quantum of the decrease in the fair market value of the investment, management determined the decrease in value of the Company's investment in Paysafe was other-than-temporary. Accordingly, the Company recorded an impairment of $391.8 million in the three-months ended September 30, 2021 which is included in Recognized (losses) gains, net, on the Consolidated Statement of Operations for the year ended December 31, 2021.

We identified the determination of whether the Company has the ability to exert significant influence over Paysafe and Alight and the subsequent other-than-temporary impairment of the Paysafe investment as a critical audit matter. The determination of whether the Company has the ability to exert significant influence and whether an investment in an unconsolidated affiliate is other-than-temporarily impaired pursuant to ASC 323, *Investments – Equity Method and Joint Ventures*, involved challenging, subjective, and complex judgments. Therefore, auditing these significant judgments, involved a higher degree of auditor judgment and subjectivity, including the involvement of specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to Company's determination of whether the Company has the ability to exert significant influence over Paysafe and Alight and whether the Paysafe investment was other-than-temporarily impaired included the following:

- We tested the effectiveness of controls over: 1) management's determination of whether the Company can exert significant influence over Paysafe and Alight and 2) whether the Paysafe investment was other-than-temporarily impaired.
- We inspected the underlying agreements and assessed the appropriateness of the Company's application of the equity method of accounting for the Paysafe and Alight investments. With the assistance of technical accounting specialists, we evaluated the Company's direct and indirect ownership interests in Paysafe and Alight, the Company's senior management and directors that serve on the Paysafe and Alight board of directors, and the contractual rights the equity investors held around appointments to the Paysafe and Alight board of directors and the related judgments documented by management to determine that the Company has the ability to exert significant influence over Paysafe and Alight in conformity with accounting principles generally accepted in the United States of America.
- We evaluated the judgments documented by management to determine that the Company's investment in Paysafe was other-than-temporarily impaired and the events and changes in circumstances was indicative of an other-than-temporary impairment in conformity with accounting principles generally accepted in the United States of America.

/s/ Deloitte & Touche LLP

Las Vegas, Nevada
February 25, 2022

We have served as the Company's auditor since 2017.

CANNAE HOLDINGS, INC.
CONSOLIDATED BALANCE SHEETS

	December 31, 2021	December 31, 2020
	(in millions)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 85.8	$ 724.7
Fixed maturity securities available for sale, at fair value	—	35.2
Other current assets	35.8	84.3
Total current assets	121.6	844.2
Equity securities, at fair value	1,045.1	1,799.1
Investments in unconsolidated affiliates	2,261.3	1,453.0
Lease assets	172.0	202.3
Property and equipment, net	100.6	145.8
Other intangible assets, net	26.9	51.8
Goodwill	53.4	53.4
Other long term investments and noncurrent assets	108.7	63.8
Total assets	$ 3,889.6	$ 4,613.4
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable and other accrued liabilities, current	$ 105.6	$ 93.2
Lease liabilities, current	23.8	26.2
Income taxes payable	24.7	47.4
Deferred revenue	23.1	23.9
Notes payable, current	2.3	11.3
Total current liabilities	179.5	202.0
Deferred tax liabilities	143.8	325.3
Lease liabilities, long-term	166.1	195.6
Notes payable, long-term	14.1	52.2
Accounts payable and other accrued liabilities, long-term	45.0	53.1
Total liabilities	548.5	828.2
Commitments and contingencies - see Note M		
Equity:		
Cannae common stock, $0.0001 par value; authorized 115,000,000 shares as of December 31, 2021 and December 31, 2020; issued of 92,460,514 and 92,391,965 shares as of December 31, 2021 and December 31, 2020, respectively; and outstanding of 86,886,034 and 91,651,257 shares as of December 31, 2021 and December 31, 2020, respectively	—	—
Preferred stock, $0.0001 par value; authorized 10,000,000 shares; issued and outstanding, none as of December 31, 2021 and December 31, 2020	—	—
Retained earnings	1,642.8	1,929.8
Additional paid-in capital	1,888.3	1,875.8
Less: Treasury stock, 5,574,480 and 740,708 shares as of December 31, 2021 and December 31, 2020, respectively, at cost	(188.6)	(21.1)
Accumulated other comprehensive loss	(7.2)	(4.9)
Total Cannae shareholders' equity	3,335.3	3,779.6
Noncontrolling interests	5.8	5.6
Total equity	3,341.1	3,785.2
Total liabilities and equity	$ 3,889.6	$ 4,613.4

See Notes to Consolidated Financial Statements

CANNAE HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

	Year ended December 31,		
	2021	2020	2019
	(in millions)		
Revenues:			
Restaurant revenue	$ 704.7	$ 559.7	$ 1,043.3
Other operating revenue	37.5	26.0	26.7
Total operating revenues	742.2	585.7	1,070.0
Operating expenses:			
Cost of restaurant revenue	617.4	524.3	912.8
Personnel costs	80.1	94.8	90.3
Depreciation and amortization	26.6	30.7	40.7
Other operating expenses, including asset impairments	151.6	116.6	133.4
Goodwill impairment	—	7.8	10.4
Total operating expenses	875.7	774.2	1,187.6
Operating loss	(133.5)	(188.5)	(117.6)
Other income (expense):			
Interest, investment and other income	21.1	17.2	15.6
Interest expense	(9.8)	(9.0)	(17.8)
Recognized (losses) gains, net	(310.8)	2,362.2	357.7
Total other (expense) income	(299.5)	2,370.4	355.5
(Loss) earnings from continuing operations before income taxes and equity in earnings (losses) of unconsolidated affiliates	(433.0)	2,181.9	237.9
Income tax (benefit) expense	(74.0)	481.2	24.2
(Loss) earnings from continuing operations before equity in earnings (losses) of unconsolidated affiliates	(359.0)	1,700.7	213.7
Equity in earnings (losses) of unconsolidated affiliates	72.6	59.1	(115.1)
(Loss) earnings from continuing operations	(286.4)	1,759.8	98.6
Net loss from discontinued operations, net of tax - see Note N	—	—	(51.8)
Net (loss) earnings	(286.4)	1,759.8	46.8
Less: Net earnings (loss) attributable to non-controlling interests	0.6	(26.4)	(30.5)
Net (loss) earnings attributable to Cannae Holdings, Inc. common shareholders	$ (287.0)	$ 1,786.2	$ 77.3
Amounts attributable to Cannae Holdings, Inc. common shareholders			
Net (loss) earnings from continuing operations attributable to Cannae Holdings, Inc. common shareholders	$ (287.0)	$ 1,786.2	$ 127.6
Net loss from discontinued operations attributable to Cannae Holdings, Inc. common shareholders	—	—	(50.3)
Net (loss) earnings attributable to Cannae Holdings, Inc. common shareholders	$ (287.0)	$ 1,786.2	$ 77.3
Earnings per share			
Basic			
Net (loss) earnings per share from continuing operations	$ (3.19)	$ 20.84	$ 1.77
Net loss per share from discontinued operations	—	—	(0.70)
Net (loss) earnings per share	$ (3.19)	$ 20.84	$ 1.07
Diluted			
Net (loss) earnings per share from continuing operations	$ (3.19)	$ 20.79	$ 1.76
Net loss per share from discontinued operations	—	—	(0.69)
Net (loss) earnings per share	$ (3.19)	$ 20.79	$ 1.07
Weighted average shares outstanding Cannae Holdings common stock, basic basis	90.1	85.7	72.2
Weighted average shares outstanding Cannae Holdings common stock, diluted basis	90.1	85.9	72.4

See Notes to Consolidated Financial Statements

CANNAE HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS

	Year Ended December 31,		
	2021	2020	2019
		(in millions)	
Net (loss) earnings	$ (286.4)	$ 1,759.8	$ 46.8
Other comprehensive (loss) earnings, net of tax:			
Unrealized gain on investments and other financial instruments, net (excluding investments in unconsolidated affiliates) (1)	0.6	10.7	0.1
Unrealized gain (loss) relating to investments in unconsolidated affiliates (2)	5.7	(15.9)	7.1
Reclassification of unrealized losses on investments in unconsolidated affiliates, net of tax, included in net earnings (3)	2.2	46.2	19.1
Reclassification of unrealized gains on investments and other financial instruments, net of tax, included in net earnings (4)	(10.8)	—	—
Other comprehensive (loss) earnings	(2.3)	41.0	26.3
Comprehensive (loss) earnings	(288.7)	1,800.8	73.1
Less: Comprehensive earnings (loss) attributable to noncontrolling interests	0.6	(26.4)	(30.5)
Comprehensive (loss) earnings attributable to Cannae	$ (289.3)	$ 1,827.2	$ 103.6

(1) Net of income tax expense of $0.1 million, $2.9 million and less than $0.1 million for the years ended December 31, 2021, 2020 and 2019, respectively.

(2) Net of income tax expense (benefit) of $1.5 million, $(4.2) million and $1.9 million for the years ended December 31, 2021, 2020 and 2019, respectively.

(3) Net of income tax expense of $0.6 million, $12.3 million and $5.1 million for the years ended December 31, 2021, 2020 and 2019, respectively.

(4) Net of income tax benefit of $2.9 million for the year ended December 31, 2021.

See Notes to Consolidated Financial Statements

CANNAE HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF EQUITY

	Common Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comp (Loss) Earnings	Treasury Stock		Non-controlling Interests	Total Equity
	Shares	$				Shares	$		
					(in millions)				
Balance, December 31, 2018	72.2	$ —	$ 1,146.2	$ 45.8	$ (67.2)	—	$ (0.2)	$ 75.1	$ 1,199.7
Adjustment for cumulative effect of adoption of accounting standards by unconsolidated affiliates, net of tax	—	—	—	20.5	(5.0)	—	—	—	15.5
Other comprehensive earnings — unrealized gain on investments and other financial instruments, net of tax	—	—	—	—	0.1	—	—	—	0.1
Other comprehensive earnings — unrealized earnings of investments in unconsolidated affiliates, net of tax	—	—	—	—	7.1	—	—	—	7.1
Reclassification of unrealized losses on investments in unconsolidated affiliates, net of tax, included in net earnings	—	—	—	—	19.1	—	—	—	19.1
Proceeds from equity offering, net of offering costs	7.5	—	236.0	—	—	—	—	—	236.0
Dun & Bradstreet equity issuance costs	—	—	(1.4)	—	—	—	—	—	(1.4)
Treasury stock repurchases	—	—	—	—	—	0.2	(4.9)	—	(4.9)
Shares withheld for taxes and in treasury	—	—	—	—	—	—	(0.8)	—	(0.8)
Stock-based compensation, consolidated subsidiaries	—	—	4.0	—	—	—	—	0.6	4.6
Contribution of CSA services from FNF	—	—	1.3	—	—	—	—	—	1.3
Stock-based compensation, unconsolidated affiliates	—	—	10.6	—	—	—	—	—	10.6
Deconsolidation of T-System	—	—	—	—	—	—	—	(2.9)	(2.9)
Subsidiary dividends paid to noncontrolling interests	—	—	—	—	—	—	—	(1.0)	(1.0)
Net earnings (loss)	—	—	—	77.3	—	—	—	(30.5)	46.8
Balance, December 31, 2019	79.7	$ —	$ 1,396.7	$ 143.6	$ (45.9)	0.2	$ (5.9)	$ 41.3	$ 1,529.8
Equity offering, net of offering costs	12.7	—	455.0	—	—	—	—	—	455.0
Restaurant Group Reorganization	—	—	6.8	—	—	—	—	(12.3)	(5.5)
Other comprehensive earnings — unrealized gain on investments and other financial instruments, net of tax	—	—	—	—	10.7	—	—	—	10.7
Other comprehensive earnings — unrealized losses of investments in unconsolidated affiliates, net of tax	—	—	—	—	(15.9)	—	—	—	(15.9)
Reclassification adjustments for unrealized gains and losses on unconsolidated affiliates, net of tax, included in net earnings	—	—	—	—	46.2	—	—	—	46.2
Sale of noncontrolling interest in consolidated subsidiary	—	—	—	—	—	—	—	3.7	3.7
Treasury stock repurchases	—	—	—	—	—	0.5	(14.4)	—	(14.4)
Stock-based compensation, consolidated subsidiaries	—	—	4.2	—	—	—	—	—	4.2
Contribution of CSA services from FNF	—	—	1.2	—	—	—	—	—	1.2
Stock-based compensation, unconsolidated affiliates	—	—	11.9	—	—	—	—	—	11.9
Subsidiary dividends paid to noncontrolling interests	—	—	—	—	—	—	—	(0.7)	(0.7)
Shares withheld for taxes and in treasury	—	—	—	—	—	—	(0.8)	—	(0.8)
Net earnings (loss)	—	—	—	1,786.2	—	—	—	(26.4)	1,759.8
Balance, December 31, 2020	92.4	$ —	$ 1,875.8	$ 1,929.8	$ (4.9)	0.7	$ (21.1)	$ 5.6	$ 3,785.2
Other comprehensive earnings — unrealized gain on investments and other financial instruments, net of tax	—	—	—	—	0.6	—	—	—	0.6
Other comprehensive earnings — unrealized losses of investments in unconsolidated affiliates, net of tax	—	—	—	—	5.7	—	—	—	5.7
Reclassification adjustments for unrealized gains and losses on investments and other financial instruments, net of tax, (excluding investments in unconsolidated affiliates) included in net earnings	—	—	—	—	(10.8)	—	—	—	(10.8)
Reclassification adjustments for unrealized gains and losses on unconsolidated affiliates, net of tax, included in net loss	—	—	—	—	2.2	—	—	—	2.2
Shares withheld for taxes and in treasury	—	—	—	—	—	0.1	(0.2)	—	(0.2)
Treasury stock repurchases	—	—	—	—	—	4.8	(167.3)	—	(167.3)
Stock-based compensation, consolidated subsidiaries	—	—	2.4	—	—	—	—	—	2.4
Stock-based compensation, unconsolidated affiliates	—	—	10.1	—	—	—	—	—	10.1
Subsidiary dividends paid to noncontrolling interests	—	—	—	—	—	—	—	(0.4)	(0.4)
Net (loss) earnings	—	—	—	(287.0)	—	—	—	0.6	(286.4)
Balance, December 31, 2021	92.4	$ —	$ 1,888.3	$ 1,642.8	$ (7.2)	5.6	$ (188.6)	$ 5.8	$ 3,341.1

See Notes to Consolidated Financial Statements.

CANNAE HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended December 31, 2021	2020	2019
	(in millions)		
Cash flows from operating activities:			
Net (loss) earnings	$ (286.4)	$ 1,759.8	$ 46.8
Adjustments to reconcile net (loss) earnings to net cash used in operating activities:			
Depreciation and amortization	26.4	30.7	54.5
Equity in (earnings) losses of unconsolidated affiliates	(72.6)	(59.1)	115.1
Distributions from investments in unconsolidated affiliates	23.7	128.4	2.0
Recognized losses (gains) and impairments of assets, net	309.2	(2,343.5)	(256.9)
Lease asset amortization	22.6	25.1	38.8
Stock-based compensation cost	2.4	4.2	4.6
Changes in assets and liabilities, net of effects from acquisitions:			
Net decrease (increase) in other assets	27.7	(31.4)	(18.0)
Net (decrease) increase in accounts payable, accrued liabilities, deferred revenue and other	(1.2)	26.0	8.4
Net decrease in lease liabilities	(23.9)	(28.3)	(46.9)
Net change in income taxes	(204.0)	374.2	(32.6)
Net cash used in operating activities	(176.1)	(113.9)	(84.2)
Cash flows from investing activities:			
Proceeds from sales of Ceridian shares	400.8	721.0	477.9
Proceeds from sale of D&B shares	186.0	—	—
Distributions from investments in unconsolidated affiliates	298.1	48.3	1.0
Proceeds from the sale of investments in unconsolidated affiliates, equity securities and other investments	72.6	9.9	4.8
Proceeds from sales of VIBSQ, Legendary Baking and RCI	63.2	—	—
Proceeds from the sale of property and equipment	10.4	4.4	21.4
Collections of notes receivable	2.8	7.2	—
Cash acquired upon acquisition of Legendary Baking and VIBSQ - see Note I	—	8.6	—
Net proceeds from sales and maturities of short term investments	—	0.5	30.9
Cash proceeds from the contribution of T-System to CorroHealth, net of cash transferred	—	—	66.9
Investments in Paysafe, net of subscription fees earned	(514.7)	—	—
Investments in Alight, net of subscription fees earned	(446.3)	—	—
Investments in Sightline	(272.0)	—	—
Purchases of investments in unconsolidated affiliates and other investments	(43.6)	(324.5)	(75.7)
Additions to notes receivable	(18.6)	(37.3)	—
Additions to property and equipment and other intangible assets	(13.7)	(22.3)	(28.3)
Investments in Dun & Bradstreet, net of capitalized syndication fees	—	(200.0)	(526.1)
Investment in Optimal Blue	—	(289.0)	—
Cash deconsolidated at the inception of the Blue Ribbon Reorganization	—	(1.1)	—
Net other investing activities	2.6	0.1	3.0
Net cash used in investing activities	(272.4)	(74.2)	(24.2)
Cash flows from financing activities:			
Borrowings, net of debt issuance costs	206.6	45.2	367.3
Debt service payments	(236.4)	(108.8)	(290.8)
Equity offering proceeds, net of capitalized costs	—	455.0	236.0
Sale of noncontrolling interest in consolidated subsidiary	—	3.7	—
Subsidiary distributions paid to noncontrolling interest shareholders	(0.2)	(0.8)	(0.9)
Proceeds from Restaurant Group sale and leaseback of corporate office, net of issuance costs	—	—	13.2
Payment for shares withheld for taxes and in treasury	(0.2)	(0.8)	(0.8)
Purchases of treasury stock	(160.2)	(14.4)	(4.9)
Net cash (used in) provided by financing activities	(190.4)	379.1	319.1
Net (decrease) increase in cash and cash equivalents	(638.9)	191.0	210.7
Cash and cash equivalents at beginning of period, including cash of discontinued operations	724.7	533.7	323.0
Cash and cash equivalents at end of period, including cash of discontinued operations	$ 85.8	$ 724.7	$ 533.7

See Notes to Consolidated Financial Statements

CANNAE HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note A. Business and Summary of Significant Accounting Policies

The following describes the significant accounting policies of Cannae Holdings, Inc. and its subsidiaries (collectively, “we,” “us,” “our,” "Cannae," or the "Company”), which have been followed in preparing the accompanying Consolidated Financial Statements.

Description of Business

We primarily acquire interests in operating companies and are engaged in actively managing and operating a core group of those companies, which we are committed to supporting for the long-term. From time to time, we also seek to take meaningful majority and minority equity ownership stakes where we have the ability to control or significantly influence quality companies, and we bring the strength of our operational expertise to each of our subsidiaries. We are a long-term owner that secures control and governance rights of other companies primarily to engage in their lines of business and we have no preset time constraints dictating when we sell or dispose of our businesses. We believe that our long-term ownership and active involvement in the management and operations of companies helps maximize the value of those businesses for our shareholders. Our primary assets as of December 31, 2021 include our ownership interests in Dun & Bradstreet Holdings, Inc. ("Dun & Bradstreet" or "D&B"), Ceridian HCM Holding, Inc. ("Ceridian"), Alight, Inc. ("Alight"), Paysafe Limited ("Paysafe"), Sightline Payments Holdings, LLC ("Sightline" or "Sightline Payments"), Optimal Blue Holdco, LLC ("Optimal Blue") and AmeriLife Group, LLC ("AmeriLife"); majority equity ownership stakes in O'Charley's Holdings, LLC ("O'Charley's") and 99 Restaurants Holdings, LLC ("99 Restaurants"); various other controlled portfolio companies and certain minority equity ownership interests.

See Note Q *Segment Information* for further discussion of the businesses comprising our reportable segments.

We conduct our business through our wholly-owned subsidiary Cannae Holdings, LLC ("Cannae LLC"), a Delaware limited liability company. Our board of directors ("Board") oversees the management of the Company, Cannae LLC and its businesses, and the performance of our external manager, Trasimene Capital Management, LLC (“Trasimene” or our “Manager”).

Split-off of Cannae from FNF

On November 17, 2017, Fidelity National Financial, Inc. (“FNF”) redeemed each outstanding share of its FNF Ventures ("FNFV") Group common stock, par value $0.0001, for one share of common stock, par value $0.0001, of a newly formed entity, Cannae (the "Split-Off"). In conjunction with the Split-Off, FNF contributed to us its portfolio of investments unrelated to its primary insurance and real estate operations, which included majority and minority equity ownership interests in a number of entities and certain fixed income investments. On November 20, 2017, Cannae common stock began “regular-way” trading on The New York Stock Exchange under the “CNNE” stock symbol.

Following the Split-Off, FNF and Cannae operate as separate, publicly-traded companies. In connection with the Split-Off, FNF and Cannae entered into certain agreements in order to govern certain of the ongoing relationships between the two companies after the Split-Off and to provide for an orderly transition. These agreements include a reorganization agreement, a corporate services agreement, a registration rights agreement, a voting agreement and a tax matters agreement.

The reorganization agreement provides for, among other things, the principal corporate transactions (including the internal restructuring) required to effect the Split-Off, certain conditions to the Split-Off and provisions governing the relationship between Cannae and FNF with respect to and resulting from the Split-Off. The tax matters agreement provides for the allocation and indemnification of tax liabilities and benefits between FNF and Cannae and other agreements related to tax matters. The voting and registration rights agreements provide for certain appearance and voting restrictions and registration rights on shares of Cannae owned by FNF after consummation of the Split-Off. Pursuant to the corporate services agreement (the "CSA"), FNF has provided Cannae with certain "back office" services including legal, tax, accounting, treasury and investor relations support. Cannae will reimburse FNF for direct, out-of-pocket expenses incurred by FNF in providing these services.

On October 7, 2020, the Company entered into an Extension of Corporate Services Agreement (the “Extension”) with FNF. Pursuant to the Extension, the term of the CSA was extended for two years until November 17, 2022 (the “Extended Term”). During the Extended Term, FNF will provide certain corporate services to Cannae at FNF’s Standard Allocation (as defined in the CSA), plus 10%, and Cannae agrees to pay or reimburse FNF for any fees, costs or other expenses paid by FNF to third parties in connection with the corporate services. The CSA will automatically renew for successive one-year terms, unless the parties mutually agree to terminate the CSA at least thirty days prior to the applicable termination date. No later than 30 days prior to such termination date, the parties shall negotiate mutually agreeable arm's length terms for each additional one year term.

Principles of Consolidation and Basis of Presentation

The accompanying Consolidated Financial Statements are prepared in accordance with generally accepted accounting principles in the United States ("GAAP") and include the historical accounts as well as wholly-owned and majority-owned subsidiaries of the Company. The Company is allocated certain corporate overhead and management services expenses from FNF based on the terms of the CSA and our proportionate share of the expense determined on actual usage and our best estimate of management's allocation of time. Both FNF and Cannae believe such allocations are reasonable; however, they may not be indicative of the actual results of operations or cash flows of the Company had the Company been operating as an independent, publicly traded company for the periods presented or the amounts that will be incurred by the Company in the future. In the opinion of management, all adjustments considered necessary for a fair presentation have been included. All adjustments made were of a normal, recurring nature.

All intercompany profits, transactions and balances have been eliminated. Our ownership interests in non-majority-owned partnerships and affiliates are accounted for under the equity method of accounting or as equity securities. Earnings attributable to noncontrolling interests are recorded on the Consolidated Statements of Operations relating to majority-owned subsidiaries with the appropriate noncontrolling interest that represents the portion of equity not related to our ownership interest recorded on the Consolidated Balance Sheets in each period.

Management Estimates

The preparation of these Consolidated Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Consolidated Financial Statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates made by management include the carrying amount and depreciation of property and equipment (Note E), the valuation of acquired intangible assets (Note H and Note I), fair value measurements (Note C), and accounting for income taxes (Note L). Actual results could differ from estimates.

Recent Developments

Ceridian

On May 20, 2021, we completed the sale of 2.0 million shares of common stock of Ceridian pursuant to Rule 144 promulgated under the Securities Act of 1933, as amended ("Rule 144"). In connection with the sale, we received proceeds of $175.0 million.

In September 2021, we completed the sale of 1.0 million shares of common stock of Ceridian for proceeds of $100.0 million pursuant to the terms of a covered call agreement.

On October 21, 2021, we completed the sale of an additional 1.0 million shares of common stock of Ceridian pursuant to Rule 144. In connection with the sale, we received proceeds of $125.8 million in October 2021.

As of December 31, 2021, we owned 10.0 million shares of Ceridian common stock which represented approximately 6.6% of the outstanding common stock of Ceridian.

See Notes C and D for further discussion of our accounting for our investment in Ceridian and other equity securities.

In January 2022, we completed the sales of an additional 2.0 million shares of common stock of Ceridian pursuant to Rule 144. In connection with the sales, we received gross proceeds of $173.3 million in January 2022. As of the date of this Annual Report, we own 8.0 million shares of Ceridian common stock which represented approximately 5.3% of the outstanding common stock of Ceridian.

Dun & Bradstreet

On January 8, 2021, D&B completed its acquisition of Bisnode Business Information Group AB (the "Bisnode Acquisition"). In connection with the Bisnode Acquisition, D&B issued an additional 6.2 million shares of its common stock, which resulted in a decrease in our ownership interest in D&B from approximately 18.1% to approximately 17.7% and a non-cash gain of $18.6 million in the year ended December 31, 2021.

On June 28, 2021, we completed the sale of an aggregate of 8.5 million shares of common stock of D&B (the "D&B Share Sale") pursuant to Rule 144. In connection with the D&B Share Sale, we received aggregate proceeds of $186.0 million and recorded a gain of $111.1 million. As a result of the D&B Share Sale, we now own 68.1 million shares of D&B, which represents approximately 15.8% of its outstanding common stock as of December 31, 2021.

See Note D for further discussion of our accounting for our ownership interest in D&B.

On February 15, 2022, we received 21.8 million shares of D&B as partial consideration for our sale of Optimal Blue. Subsequently, we transferred 1.6 million of the shares received to our Manager as part of our carried interest paid related to the sale. See discussion under the header *Optimal Blue* below for further information. Following the receipt of these additional shares of D&B and payment of carried interest, we own 88.3 million shares of D&B which represents approximately 20.5% of its outstanding common stock.

Alight

On January 25, 2021, Foley Trasimene Acquisition Corp. ("FTAC") entered into a business combination agreement with predecessor of Alight, a leading cloud-based provider of integrated digital human capital and business solutions, as amended and restated April 29, 2021, by and among FTAC, Alight and other parties thereto (the "FTAC Alight Business Combination"). Also on January 25, 2021, Cannae entered into an agreement to purchase 25 million shares of Alight for $250.0 million as part of a private investment in public equity ("PIPE") raised in conjunction with the FTAC Alight Business Combination (the "Alight Subscription Agreement").

During the quarter ended June 30, 2021, Cannae funded the following: (a) $250.0 million pursuant to the Alight Subscription Agreement, (b) $150.0 million pursuant to a previously announced forward purchase agreement with FTAC (the "FTAC FPA") entered into on May 8, 2020 and (c) $52.4 million for the purchase of 5.2 million shares of FTAC on the open market (the "Purchased Shares"). In July 2021, we sold 1.0 million of the Purchased Shares for aggregate proceeds of $10.3 million.

On July 2, 2021, FTAC completed the FTAC Alight Business Combination in accordance with the relevant business combination agreement. The combined company operates as Alight and is traded on the New York Stock Exchange ("NYSE") under the symbol ALIT. The FTAC Alight Business Combination was funded with the cash held in trust at FTAC, forward purchase commitments, PIPE commitments and equity of Alight.

For Cannae’s total net investment in Alight of $446.6 million, inclusive of our previous $4.5 million investment in the sponsor of FTAC (the "FTAC Sponsor") and net of the Purchased Shares sold, Cannae received 50,390,129 common shares and 5,000,000 warrants of Alight (the "Alight Warrants") and 3,026,666 LLC units of Alight's operating subsidiary with substantially the same terms as Alight's public warrants and indirectly held by the Company through its interest in the FTAC Sponsor. In connection with our participation in the PIPE and deal syndication, Cannae earned $6.1 million of fees which were deducted from the basis of our ownership interest in Alight.

On November 29, 2021, Alight announced the redemption of all of its outstanding warrants to purchase shares of the Alight’s Class A common stock. In accordance with the warrant agreement, upon delivery of the notice of redemption, the warrants could be exercised either for cash or on a cashless basis in exchange for common shares of Alight. We elected the cashless exercise and in December 2021 we received 1,300,000 shares of Alight's Class A Common Stock directly and 786,933 shares indirectly through our ownership interest in the FTAC Sponsor.

As of December 31, 2021, Cannae directly and indirectly through the FTAC Sponsor owns 52.5 million shares of Alight which represented approximately 10.0% of its outstanding common equity. We account for our direct ownership interest in common equity of Alight and ownership in the FTAC Sponsor as equity method investments.

See Note D for further discussion of our accounting for our ownership interest in Alight.

Paysafe

On March 30, 2021, Foley Trasimene Acquisition Corp. II ("FTAC II") completed its previously announced merger with Paysafe Limited ("Paysafe"), a leading integrated payments platform (the "FTAC II Paysafe Merger"), in accordance with the agreement and plan of merger dated December 7, 2020. The combined company operates as Paysafe and is traded on the NYSE under the symbol PSFE. The FTAC II Paysafe Merger was funded with the cash held in trust at FTAC II, forward purchase commitments, PIPE commitments and equity of Paysafe.

In conjunction with the FTAC II Paysafe Merger, Cannae funded: (a) $350.0 million as part of our subscription to the PIPE (the "Paysafe Subscription Agreement" and collectively with the Alight Subscription Agreement the "Subscription Agreements") and (b) $150.0 million as part of our forward purchase agreement with FTAC II entered into on July 31, 2020 (the "FTAC II FPA"). For Cannae’s total investment in Paysafe of $504.7 million, inclusive of our previous investment in the sponsor of FTAC II ("FTAC II Sponsor"), Cannae received 54,294,395 common shares and 5,000,000 Paysafe warrants and

3,134,067 LLC units of Paysafe's operating subsidiary with substantially the same terms as Paysafe's public warrants (collectively, the "Paysafe Warrants"). In connection with our participation in the PIPE, Paysafe paid Cannae a fee of $5.6 million as described in the agreement and plan of merger dated December 7, 2020, which was deducted from the basis of our ownership interest.

In September 2021, the sponsor of FTAC II distributed all of its interest in Paysafe to its limited partners. As a result, Cannae now directly holds all of its interest in common equity of Paysafe and Paysafe Warrants.

In December of 2021, Cannae purchased 5.7 million shares of Paysafe on the open market for $22.4 million.

As of December 31, 2021, Cannae directly owns 59.8 million shares which represented approximately 8.3% of the outstanding common equity of Paysafe. We account for our ownership of the common equity of Paysafe under the equity method of accounting and the Paysafe Warrants as a derivative.

See Notes C and D for further discussion of our accounting for our ownership interest in common equity and warrants of Paysafe.

Optimal Blue

On February 15, 2022, we completed the disposition of our ownership interests in Optimal Blue to Black Knight, Inc. (“Black Knight”) and its subsidiaries (the “Optimal Blue Disposition”), pursuant to a purchase agreement dated as of February 15, 2022, by and among Black Knight, Cannae, and Optimal Blue, among others. In conjunction with the Optimal Blue Disposition, Cannae received aggregate consideration of (y) $144.5 million in cash and (z) 21.8 million shares of common stock, par value $0.0001 per share, of Dun & Bradstreet. Following the consummation of the Optimal Blue Disposition, Cannae no longer has any ownership interest in Optimal Blue.

Forward Purchases of Equity of Special Purpose Acquisition Companies

On February 25, 2021, we entered into a forward purchase agreement (the "AAI FPA") with Austerlitz Acquisition Corporation I (“AAI”), a special purpose acquisition company ("SPAC") whose business purpose is to effect a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination with one or more businesses or entities (the "AAI Initial Business Combination"). AAI is co-sponsored by entities affiliated with the chairman of our Board of Directors ("Board"), William P. Foley II. Additionally, Cannae invested $1.6 million in the sponsor of AAI for a 10% indirect economic interest in the founder shares and warrants held by the sponsor. The AAI FPA was contingent upon the closing of the AAI Initial Business Combination.

On May 10, 2021, AAI entered into a Business Combination Agreement (the “WIL Business Combination Agreement”) by and among AAI, Wave Merger Sub Limited, an exempted company incorporated in Bermuda and a direct, wholly owned subsidiary of AAI (“Merger Sub”), and Wynn Interactive Ltd., an exempted company incorporated in Bermuda (“WIL”).

In connection with the signing of the WIL Business Combination Agreement, we and AAI terminated the AAI FPA, and we entered into a backstop facility agreement (the "WIL Backstop Agreement") whereby we agreed, subject to the other terms and conditions included therein, to subscribe for AAI Class A Ordinary Shares in order to fund redemptions by shareholders of AAI in connection with the WIL Business Combination Agreement, in an amount of up to $690.0 million (the "WIL Backstop Subscription"), in consideration for a placement fee of $3.5 million.

On November 11, 2021, we and AAI entered into a mutual termination agreement (the "Mutual Termination Agreement") to terminate the WIL Business Combination Agreement. In conjunction with the Mutual Termination Agreement, AAI received $5.0 million as reimbursement for out-of-pocket expenses. As a result of the termination of the WIL Business Combination Agreement, both the Backstop Agreement and the Amended and Restated Sponsor Agreement were automatically terminated.

On February 25, 2021, we entered into a forward purchase agreement (the "AAII FPA") with Austerlitz Acquisition Corp. II ("AAII"), a SPAC whose business purpose is to effect a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination with one or more businesses or entities (the "AAII Initial Business Combination"). AAII is co-sponsored by entities affiliated with William P. Foley II. Under the AAII FPA, we agreed to purchase an aggregate of 12,500,000 shares of AAII’s Class A common stock, plus an aggregate of 3,125,000 redeemable warrants to purchase one share of AAII's Class A common stock at $11.50 per share for an aggregate purchase price of $125.0 million in a private placement to occur concurrently with the closing of the AAII Initial Business Combination. Additionally, Cannae directly invested $29.6 million for a 20% indirect economic interest in the founder shares held by the sponsor and a direct interest in 19,733,333 private placement warrants of AAII (the "AAII Warrants") at the initial public offering. The AAII FPA is contingent upon the closing of the AAII Initial Business Combination.

On June 5, 2020, we entered into a forward purchase agreement (the "Trebia FPA") with Trebia Acquisition Corp. ("Trebia"), a SPAC incorporated as a Cayman Islands exempted company for the purpose of effecting a merger, share exchange, asset acquisition, share purchase, reorganization or similar business combination with one or more businesses or entities (the "Trebia Initial Business Combination"). Trebia is co-sponsored by entities affiliated with the chairman and a member of our Board, William P. Foley II and Frank R. Martire, respectively.

On June 28, 2021, Trebia entered into a business combination agreement by and among Trebia, S1 Holdco LLC, a Delaware limited liability company ("S1 Holdco"), System1 SS Protect Holdings, Inc., a Delaware corporation ("Protected"), and the other parties named therein (the "Trebia S1 Business Combination Agreement"). The Trebia S1 Business Combination Agreement provides for, among other things, the consummation of certain transactions whereby each of (i) System1, LLC, a Delaware limited liability company and the current operating subsidiary of S1 Holdco, and (ii) Protected.net Group Limited, a private limited company organized under the laws of the United Kingdom and the current operating subsidiary of Protected, will become subsidiaries of Trebia (the "Trebia S1 Business Combination").

In connection with the signing of the Trebia S1 Business Combination Agreement, we and Trebia terminated the Trebia FPA, and we entered into a backstop facility agreement (the "S1 Backstop Agreement" and together with the WIL Backstop Agreement, the "Backstop Agreements") whereby we agreed, subject to the other terms and conditions included therein, to subscribe for Trebia Class A Common Stock in order to fund redemptions by shareholders of Trebia in connection with the Business Combination, in an amount of up to $200.0 million (the "S1 Backstop Subscription"). In connection with Cannae’s entry into the S1 Backstop Agreement, the sponsors of Trebia have agreed to forfeit up to 1,275,510 Trebia Class B Ordinary Shares (and Trebia has agreed to issue to Cannae a number of shares of Trebia Class A Common Stock equal to such forfeiture) as consideration in the event that the S1 Backstop Subscription is drawn due to redemptions.

On January 10, 2022, we entered into an amendment to the S1 Backstop Agreement pursuant to which our commitment to fund redemptions increased from $200.0 million to $250.0 million. Also on January 10, 2022, we entered into an amended and restated sponsor agreement with the sponsors or Trebia pursuant to which Trebia will forfeit up to an additional 1,352,941 Class B Ordinary Shares to Trebia, and Trebia will issue to Cannae an equal number of shares of Trebia Class A Common Stock in connection with, and based upon the extent of, Cannae’s obligation with respect to the increase in our backstop commitment.

On January 27, 2022, the Trebia System1 Business Combination was completed and System1 merged with and into Trebia, with System1, Inc. ("System1") as the surviving corporation. Beginning on January 28, 2022, System1’s common stock began trading on the NYSE under the ticker symbol “SST.” Upon the completion of the Trebia System1 Business Combination, Cannae has invested a total of $248.3 million in System1, directly and indirectly owns 28.2 million of System1 common shares and 1.2 million warrants to purchase SST common shares. As a result, Cannae has an approximate 26% ownership of System1.

Refer to Note C and G for further discussion of our accounting for the AAII FPA, the AAII Warrants and the S1 Backstop Agreement.

QOMPLX

On March 1, 2021, Tailwind Acquisition Corp. ("Tailwind") entered into a business combination agreement to merge with QOMPLX, Inc. ("QOMPLX") (the "Tailwind QOMPLX Merger"). In conjunction with the Tailwind QOMPLX Merger, Cannae entered into an agreement to purchase 4.6 million shares of common stock of the combined company for $37.5 million as part of a subscription to the PIPE. Additionally, in March 2021, Cannae funded a convertible note to QOMPLX for $12.5 million that matures on March 3, 2022 (the "QOMPLX Note"). During the quarter ended September 30, 2021, Cannae funded an additional $6.0 million, which was added to the existing QOMPLX Note.

On August 17, 2021, QOMPLX and Tailwind mutually agreed to terminate the Tailwind QOMPLX Merger citing market conditions, which prevented certain closing conditions from being satisfied. The termination of the Tailwind QOMPLX Merger also terminated the Tailwind Subscription Agreement. The termination had no effect on the QOMPLX Note.

In November 2021, QOMPLX converted all of its outstanding convertible notes into preferred stock and redeemed $7.5 million of such preferred stock held by Cannae. As a result, Cannae holds approximately 14.5 million shares of preferred stock of QOMPLX representing approximately 19.3% of QOMPLX’s outstanding equity.

Restaurant Group

During the year ended December 31, 2021, we commenced a plan to sell or dispose of the assets of Legendary Baking Holdings I, LLC ("Legendary Baking") and VIBSQ Holdco, LLC ("VIBSQ") and their subsidiaries.

On June 24, 2021, we entered into a membership purchase agreement for the sale of certain net assets of VIBSQ and its subsidiaries for $13.5 million. On July 30, 2021, we closed on the sale of such VIBSQ net assets and recorded a loss of

$9.4 million, which is included in Recognized gains (losses), net on the Consolidated Statement of Operations for the year ended December 31, 2021.

On August 10, 2021, we entered into an asset purchase agreement for the sale of certain net assets of Legendary Baking and its subsidiaries for $6.1 million and we recorded a loss of $7.0 million as a result of classifying Legendary Baking as held for sale. On September 7, 2021, we closed on the sale and recorded an additional loss of $3.9 million. Both losses are included in Recognized gains (losses), net on the Consolidated Statement of Operations in the year ended December 31, 2021.

Subsequent to the transactions, other than the winding down of certain immaterial retained assets and liabilities of Legendary Baking and VIBSQ, we have no further material involvement in Legendary Baking or VIBSQ.

Other Developments

Our Board authorized a three-year stock repurchase program (the "2021 Repurchase Program"), effective February 26, 2021, under which the Company may repurchase up to 10 million shares of its common stock. Purchases may be made from time to time in the open market at prevailing prices or in privately negotiated transactions through February 26, 2024. The repurchase program does not obligate the Company to acquire any specific number of shares and may be suspended or terminated at any time. We repurchased 4,828,168 shares of CNNE common stock during the year ended December 31, 2021 for approximately $167.3 million in the aggregate, or an average of $34.65 per share, pursuant to the three-year stock purchase program effective September 19, 2019 and the 2021 Repurchase Program.

On March 31, 2021, we closed on a $32.0 million acquisition of an ownership interest in Sightline Payments LLC ("Sightline"), a fintech company that enables cashless, mobile and omnichannel payment solutions for the gaming, lottery, sports betting, entertainment and hospitality businesses. On August 16, 2021, we acquired an additional $240.0 million of ownership interest in Sightline. Our total ownership interest represents 32.6% of the outstanding membership interests in Sightline at the time of the transaction and is accounted for using the equity method.

See Note C and D for further discussion of the Company's accounting for ownership interests in unconsolidated affiliates.

During the year ended December 31, 2021, we received distributions of $283.2 million from our joint venture (the "Senator JV") with affiliates of Senator Investment Group, LP. In 2020, we received an aggregate of $198.6 million of distributions from the Senator JV. Of the distributions received in 2020, $25.8 million represented the return of our deposit previously held by the Senator JV and the remainder resulted from the Senator JV's sales of CoreLogic, Inc. Using the cumulative earnings approach, $126.4 million of the distributions resulting from the Senator JV in the year ended December 31, 2020 are considered a return on our investment in the Senator JV and are classified as cash inflows from operating activities in our Consolidated Statement of Cash Flows for the year ended December 31, 2020. We have no further material ownership interest in the Senator JV.

On May 21, 2021, Ceska zbrojovka Group SE (“CZG”) acquired 100% of the outstanding equity of Colt Holdings, LLC ("Colt"). In conjunction with the transaction, we received $37.3 million for our holdings of Colt corporate debt securities, including accrued interest thereon, $1.4 million for our equity in Colt and received $0.4 million of cash and $3.6 million of CZG equity securities for our holdings of Colt equity interests in October 2021. We recorded a gain of $20.3 million on the transaction, inclusive of $10.9 million (net of $2.9 million of deferred taxes) of gains reclassified from other comprehensive earnings. We have the opportunity to receive additional equity securities of CZG contingent on future operating results of Colt. Subsequent to the transaction, we have no further ownership interest in Colt debt or equity securities.

During the year ended December 31, 2021, we commenced a plan to sell Rock Creek Idaho Holdings, LLC ("RC"). On August 10, 2021, we entered into an asset purchase agreement for the sale of certain net assets of RC and its subsidiaries for $44.2 million, consisting of cash of $9.2 million, net of transaction costs, and a note receivable of $35.0 million. We recorded a gain of $18.9 million as a result of the sale, which is included in Recognized gains (losses), net on the Consolidated Statement of Operations for the year ended December 31, 2021. The chairman of our Board, William P. Foley II is a partner in the joint venture that purchased RC. The Company collected the full amount of the note receivable, plus interest, prior to December 31, 2021. Subsequent to the transaction, we have no further involvement in RC.

On October 14, 2021, Capital One Financial Corporation announced that it entered into a definitive agreement to purchase Triple Tree, LLC ("Triple Tree"), the investment banking subsidiary of Triple Tree Holdings, LLC ("TTH"). Cannae owns a 24.6% fully diluted interest in TTH. As a result of the sale, the two businesses comprising TTH became two separate organizations. TripleTree joined the Capital Markets group of Capital One Commercial Bank as a wholly owned subsidiary, operating under the current TripleTree brand. TTCP Management Services, LLC, continues as an independent, Minneapolis-based principal investor focused on healthcare technology and services. The transaction closed in November 2021 and we received $35.2 million of distributions from TTH related to the sale. On January 18, 2022, we received an additional distribution of $14.0 million.

Cash and Cash Equivalents

Highly liquid instruments, including money market instruments, purchased as part of cash management with original maturities of three months or less, and certain amounts in transit from credit and debit card processors, are considered cash equivalents. The carrying amounts reported in the Consolidated Balance Sheets for these instruments approximate their fair value.

Investments

Equity securities include our investment in Ceridian and are carried at fair value.

Investments in unconsolidated affiliates are recorded using the equity method of accounting.

Fixed maturity securities, which may be sold prior to maturity, are carried at fair value and are classified as available for sale as of the balance sheet dates. Fair values for fixed maturity securities are principally a function of current market conditions and are valued based on quoted prices in markets that are not active or model inputs that are unobservable. Discount or premium is recorded for the difference between the purchase price and the principal amount. The discount or premium is amortized or accrued using the interest method and is recorded as an adjustment to interest, investment and other income. The interest method results in the recognition of a constant rate of return on the investment equal to the prevailing rate at the time of purchase or at the time of subsequent adjustments of book value.

Recognized gains and losses on the sale of investments are determined on the basis of the cost of the specific investments sold and are credited or charged to income on a trade date basis. Unrealized gains or losses on fixed maturity securities, which are classified as available for sale, net of applicable deferred income tax expenses (benefits), are excluded from earnings and credited or charged directly to a separate component of equity. If any unrealized losses on available for sale fixed maturity securities are determined to be other-than-temporary, such unrealized losses are recognized as realized losses. Unrealized losses are considered other-than-temporary if factors exist that cause us to believe that the value will not increase to a level sufficient to recover our cost basis. Some factors considered in evaluating whether or not a decline in fair value is other-than-temporary include (i) our need and intent to sell the investment prior to a period of time sufficient to allow for a recovery in value; (ii) the duration and extent to which the fair value has been less than cost; and (iii) the financial condition and prospects of the issuer. Such reviews are inherently uncertain and the value of the investment may not fully recover or may decline in future periods resulting in a realized loss.

See Notes C and D for further discussion of our accounting for equity securities and investments in unconsolidated affiliates.

Fair Value of Financial Instruments

The fair value of financial instruments presented in the Consolidated Financial Statements are estimates of the fair value at a specific point in time using available market information and appropriate valuation methodologies. Estimates that use unobservable inputs are subjective in nature and involve uncertainties and significant judgment in the interpretation of current market data. We do not necessarily intend to dispose of or liquidate such instruments prior to maturity. See Note C for further details.

Distributions from Unconsolidated Affiliates

We classify distributions received from unconsolidated affiliates in our Consolidated Statements of Cash Flows using the cumulative earnings approach. Under the cumulative earnings approach, distributions are considered returns on investment and classified as cash inflows from operating activities unless the Company's cumulative distributions from an investee received in prior periods exceed the cumulative equity in earnings of such investee. When cumulative distributions from an investee exceed cumulative equity in earnings of the investee, such excess is considered a return of investment and is classified as a cash inflow from investing activities.

Other Current Assets

Prepaid expenses and other current assets consist of trade receivables, inventory, prepaid operating expenses, the current portion of notes receivable, deposits and other miscellaneous current assets.

Trade receivables are primarily for the Restaurant Group and consist primarily of business to business gift card sales, insurance-related reimbursement, rebates, tenant improvement allowances, and billings to franchisees for royalties, initial and renewal fees, equipment sales and rent. Trade receivables are recorded net of an allowance for doubtful accounts, which is our best estimate of the amount of probable credit losses related to existing receivables. The carrying values reported in the Consolidated Balance Sheets for trade receivables approximate their fair value.

Inventory primarily consists of food, beverages, packaging and supplies in our Restaurant Group segment and is stated at the lower of cost or net realizable value. Cost is determined using the first in, first out method for restaurant inventory and standard cost that approximates actual cost on a first in, first out basis for the bakery operations.

Other Long Term Investments and Non-Current Assets

Other long-term investments consist mainly of investments in equity securities without a readily determinable fair value. See Note D for further discussion of our accounting for equity securities without a readily determinable fair value.

Other non-current assets also includes notes receivable from third-parties and other miscellaneous non-current assets.

Leases

Refer to Note B.

Goodwill

Goodwill represents the excess of cost over fair value of identifiable net assets acquired and assumed in business combinations. Goodwill and other intangible assets with indefinite useful lives are reviewed for impairment annually or more frequently if circumstances indicate potential impairment, through a comparison of fair value to the carrying amount. We have the option to first assess goodwill for impairment based on a review of qualitative factors to determine if events and circumstances exist that will lead to a determination that the fair value of a reporting unit is greater than its carrying amount, prior to performing a full fair-value assessment. If, after assessing the totality of events or circumstances, the Company determines it is not more likely than not that the fair value of a reporting unit is less than its carrying amount, then performing the quantitative impairment test is unnecessary. However, if the Company concludes otherwise, then it is required to perform the quantitative impairment test by calculating the fair value of the reporting unit and comparing the fair value with the carrying amount of the reporting unit. Goodwill impairment, if any, is measured as the amount by which a reporting unit's carrying value exceeds its fair value.

For the year ended December 31, 2021, we did not have any impairment of goodwill.

For the year ended December 31, 2020, we recorded $7.8 million of impairment to goodwill in our Restaurant Group segment. The impairment charge is a result of deteriorating operating results and cash flow resulting from declining same store sales and increased costs at O'Charley's. The impairment recorded was calculated as the deficit between the carrying value of our O'Charley's reporting unit of our Restaurant Group compared to the fair value of the reporting unit determined by performing a combination of discounted cash flow and market approaches.

For the year ended December 31, 2019 we recorded $35.1 million of impairment to goodwill in our former T-System segment and $10.4 million of impairment to goodwill in our Restaurant Group segment. The impairment in our former T-System segment is primarily a result of a decline in earnings multiples from comparable public companies and lower forecasted cash flows for its reporting units. The impairment charge in our Restaurant Group is a result of deteriorating operating results and cash flow resulting from declining same store sales and increased costs, primarily in our Village Inn and Bakers Square branded stores. The impairments recorded were calculated as the deficit between the carrying value of the reporting units of each segment compared to the fair value of the reporting unit determined by performing a combination of discounted cash flow and market approaches.

Impairment to goodwill in our former T-System segment is included in Net loss from discontinued operations on the Consolidated Statement of Operations for the year ended December 31, 2019. See Note N.

Other Intangible Assets

We have other intangible assets, not including goodwill, which consist primarily of customer relationships and contracts, trademarks and tradenames that are generally recorded in connection with acquisitions at their fair value, franchise rights, the fair value of purchased software and capitalized software development costs. Intangible assets with estimable lives are amortized over their respective estimated useful lives to their estimated residual values and reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. In general, customer relationships are amortized over their estimated useful lives using an accelerated method, which takes into consideration expected customer attrition rates. Contractual relationships are generally amortized over their respective contractual lives. Useful lives of computer software range from three to ten years. Capitalized software development costs and purchased software are recorded at cost and amortized using the straight-line method over their estimated useful life.

Trademarks and tradenames were generally considered intangible assets with indefinite lives and reviewed for impairment at least annually. In conjunction with our annual testing for impairment of tradenames during the fourth quarter of 2020 and in light of the deteriorating operating environment for restaurants, we changed our estimate of the useful lives of our tradenames for all of our restaurant brands from indefinite to fifteen years. The impact of such change on the Company's consolidated income is not considered material.

We recorded $11.8 million of impairment expense related to the O'Charley's tradename within our Restaurant Group in the year ended December 31, 2020. We recorded $17.1 million of impairment expense related to the Village Inn and Bakers Square tradenames within our Restaurant Group in the year ended December 31, 2019. The impairments are recorded within Other operating expenses, including asset impairments, on our Consolidated Statement of Operations for the years then ended.

Property and Equipment, net

Property and equipment, net are recorded at cost, less accumulated depreciation. Depreciation is computed primarily using the straight-line method based on the estimated useful lives of the related assets: thirty to forty years for buildings and three to twenty-five years for furniture, fixtures and equipment. Leasehold improvements are amortized on a straight-line basis over the lesser of the term of the applicable lease or the estimated useful lives of such assets.

In our Restaurant Group, all direct external costs associated with obtaining the land, building and equipment for each new restaurant, as well as construction period interest, are capitalized. Direct external costs associated with obtaining the dining room and kitchen equipment, signage and other assets and equipment are also capitalized. In addition, for each new restaurant and re-branded restaurant, a portion of the internal direct costs of its real estate and construction department are also capitalized.

Property and equipment are reviewed for impairment when events or circumstances indicate that the carrying amounts may not be recoverable. We recorded $0.2 million, $3.5 million, and $6.6 million of impairment expense related to Property and equipment in our Restaurant Group segment in the years ended December 31, 2021, 2020 and 2019, respectively, which is recorded within Other operating expenses, including asset impairments, on our Consolidated Statements of Operations for the years then ended.

Insurance Reserves

Our Restaurant Group companies are currently self-insured for a portion of its workers' compensation, general liability, and liquor liability losses (collectively, casualty losses) as well as certain other insurable risks. To mitigate the cost of the Restaurant Group's exposures for certain property and casualty losses, we make annual decisions to either retain the risks of loss up to a certain maximum per occurrence, aggregate loss limits negotiated with its insurance carriers, or fully insure those risks. Our Restaurant Group companies are also self-insured for healthcare claims for eligible participating employees subject to certain deductibles and limitations. We have accounted for such retained liabilities for casualty losses and healthcare claims, including reported and incurred but not reported claims, based on information provided by third-party actuaries. As of December 31, 2021, our Restaurant Group companies were committed under letters of credit totaling $10.8 million issued primarily in connection with casualty insurance programs.

Income Taxes

We recognize deferred tax assets and liabilities for temporary differences between the financial reporting basis and the tax basis of our assets and liabilities and expected benefits of utilizing net operating loss and credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The impact of changes in tax rates and laws on deferred taxes, if any, is applied to the years during which temporary differences are expected to be settled and reflected in the financial statements in the period enacted.

We recognize the benefits of uncertain tax positions in the financial statements only after determining a more likely than not probability that the uncertain tax positions will withstand challenge, if any, from taxing authorities. When facts and circumstances change, we reassess these probabilities and record any changes in the financial statements as appropriate. Uncertain tax positions are accounted for by determining the minimum recognition threshold that a tax position is required to meet before being recognized in the financial statements. This determination requires the use of judgment in assessing the timing and amounts of deductible and taxable items. Tax positions that meet the more likely than not recognition threshold are recognized and measured as the largest amount of tax benefit that is more than 50% likely to be realized upon settlement with a taxing authority that has full knowledge of all relevant information. The Company recognizes interest and penalties accrued related to unrecognized tax benefits as components of income tax expense.

Revenue Recognition

Refer to Note O.

Advertising Costs

The Company expenses advertising and marketing costs as incurred, except for certain advertising production costs that are initially capitalized and subsequently expensed the first time the advertising takes place. During the years ended December 31, 2021, 2020, and 2019, the Company incurred $16.0 million, $15.7 million, and $30.0 million of advertising and marketing costs, respectively, related to advertising in our Restaurant Group and in our real estate operations. These costs are included in Other operating expenses on the Consolidated Statements of Operations.

Comprehensive Earnings

We report comprehensive earnings in accordance with GAAP on the Consolidated Statements of Comprehensive Earnings. Total comprehensive earnings are defined as all changes in shareholders' equity during a period, other than those resulting from investments by and distributions to shareholders. While total comprehensive earnings is the activity in a period and is largely driven by net earnings in that period, accumulated other comprehensive earnings or loss represents the cumulative balance of other comprehensive earnings, net of tax, as of the balance sheet date. Amounts reclassified to net earnings relate to realized losses and are included in Recognized gains and losses, net on the Consolidated Statements of Operations. Our policy is to release income tax effects from accumulated other comprehensive income at such time as the earnings or loss of the related activity are recognized in earnings (e.g., upon sale of an investment).

Changes in the balance of other comprehensive earnings by component are as follows:

	Unrealized (loss) gain on investments and other financial instruments, net (excluding investments in unconsolidated affiliates)	Unrealized (loss) gain relating to investments in unconsolidated affiliates	Total Accumulated Other Comprehensive (Loss) Earnings
		(In millions)	
Balance December 31, 2019	$ (0.5)	$ (45.4)	$ (45.9)
Other comprehensive earnings (loss)	10.7	(15.9)	(5.2)
Reclassification adjustments	—	46.2	46.2
Balance December 31, 2020	$ 10.2	$ (15.1)	$ (4.9)
Other comprehensive earnings	0.6	5.7	6.3
Reclassification adjustments	(10.8)	2.2	(8.6)
Balance December 31, 2021	$ —	$ (7.2)	$ (7.2)

Stock-Based Compensation Plans

Stock-based compensation expense includes restricted stock awards granted in Cannae common stock to directors and certain members of management. We account for stock-based compensation plans using the fair value method. Under the fair value method of accounting, compensation cost is measured based on the fair value of the award at the grant date, using quoted market prices of the underlying stock, and recognized over the service period.

Earnings Per Share

Basic earnings per share, as presented on the Consolidated Statement of Operations, is computed by dividing net earnings available to common shareholders by the weighted average number of common shares outstanding during the period.

In periods when earnings are positive, diluted earnings per share is calculated by dividing net earnings available to common shareholders by the weighted average number of common shares outstanding plus the impact of assumed conversions of potentially dilutive securities. For periods when we recognize a net loss, diluted earnings per share is equal to basic earnings per share as the impact of assumed conversions of potentially dilutive securities is considered to be antidilutive. We have granted certain shares of restricted stock, which have been treated as common share equivalents for purposes of calculating diluted earnings per share for periods in which positive earnings have been reported.

Instruments that provide the ability to purchase shares of our common stock that are antidilutive are excluded from the computation of diluted earnings per share. For the year ended December 31, 2021, 0.1 million shares of unvested restricted stock were excluded from diluted earnings per share because including such shares would be anti-dilutive. For the years ended December 31, 2020 and 2019, no antidilutive shares were outstanding.

Note B. Leases

We are party to operating lease arrangements primarily for leased real estate for restaurants and office space. Right-of-use assets and lease liabilities related to operating leases under ASC 842 are recorded at commencement when we are party to a contract that conveys the right for the Company to control an asset for a specified period of time. We are not a party to any material contracts considered finance leases. Right-of-use assets and lease liabilities related to operating leases are recorded as Lease assets and Lease liabilities, respectively, on the Consolidated Balance Sheets as of December 31, 2021 and 2020.

Our material operating leases range in term from one year to nineteen years. As of December 31, 2021 and 2020, the weighted-average remaining lease term of our operating leases was approximately ten years. Leases with an initial term of twelve months or less are not recorded on the balance sheet and we recognize lease expense for these leases on a straight-line basis over the lease term.

Our operating lease agreements do not contain any material buyout options, residual value guarantees or restrictive covenants.

Most of our leases include one or more options to renew, with renewal terms that can extend the lease term by varying amounts. The exercise of lease renewal options is at our sole discretion. We include options to renew, not to exceed a total lease term of twenty years, in our measurement of right-of-use assets and lease liabilities when they are considered reasonably certain of exercise. We consider a lease reasonably certain for renewal when the duration of the lease extensions are in the foreseeable future and related to assets for which continued use is reasonably assured.

Excluding certain immaterial classes of leases in our Restaurant Group, we do not separate lease components from non-lease components for any of our right of use assets.

Our operating lease liabilities are determined by discounting future lease payments using a discount rate that represents our best estimate of the incremental borrowing rate our subsidiaries would have to pay to borrow money to finance the asset over the underlying lease term and for an amount equal to the lease payments. Our discount rate is based on interest rates associated with comparable public company secured debt for companies similar to our operating subsidiaries and of similar duration to the underlying lease. As of December 31, 2021 and 2020, the weighted-average discount rate used to determine our operating lease liabilities was 6.97% and 7.08%, respectively.

Our lease costs are directly attributable to restaurant operations, primarily for real estate and to a lesser extent certain restaurant equipment. Operating lease costs of $37.3 million, $43.2 million and $58.5 million are included in Cost of restaurant revenue on the Consolidated Statement of Operations for the years ended December 31, 2021, 2020 and 2019, respectively.

During the years ended December 31, 2021, 2020 and 2019, we recorded impairment expense of $0.4 million, $1.5 million and $21.1 million, respectively, related to lease assets in our Restaurant Group, which is recorded within Other operating expenses on our Consolidated Statement of Operations.

We do not have any material short term lease costs, variable lease costs, or sublease income.

Future payments under operating lease arrangements accounted for under ASC Topic 842 as of December 31, 2021 are as follows (in millions):

2022	$	36.1
2023		32.9
2024		25.1
2025		22.1
2026		20.2
Thereafter		132.6
Total lease payments, undiscounted	$	269.0
Less: discount		79.1
Total operating lease liability as of December 31, 2021, at present value	$	189.9
Less: operating lease liability as of December 31, 2021, current		23.8
Operating lease liability as of December 31, 2021, long term	$	166.1

Note C. Fair Value Measurements

The fair value hierarchy established by the accounting standards on fair value measurements includes three levels, which are based on the priority of the inputs to the valuation technique. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Financial assets and liabilities that are recorded in the Consolidated Balance Sheets are categorized based on the inputs to the valuation techniques as follows:

Level 1. Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that we have the ability to access.

Level 2. Financial assets and liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability.

Level 3. Financial assets and liabilities whose values are based on model inputs that are unobservable.

Recurring Fair Value Measurements

The following table presents our fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of December 31, 2021 and 2020, respectively:

	December 31, 2021			
	Level 1	Level 2	Level 3	Total
	(In millions)			
Assets:				
Equity securities:				
Ceridian	$ 1,044.6	$ —	$ —	$ 1,044.6
AAII FPA	—	—	0.5	0.5
Total equity securities	1,044.6	—	0.5	1,045.1
Other noncurrent assets:				
S1 Backstop Agreement	—	12.0	—	12.0
Paysafe Warrants	5.4	—	—	5.4
AAII Warrants	—	19.3	—	19.3
Total other noncurrent assets	5.4	31.3	—	36.7
Total Assets	$ 1,050.0	$ 31.3	$ 0.5	$ 1,081.8

	December 31, 2020			
	Level 1	Level 2	Level 3	Total
	(In millions)			
Fixed-maturity securities available for sale:				
Corporate debt securities	$ —	$ —	$ 35.2	$ 35.2
Equity securities:				
Ceridian	1,491.8	—	—	1,491.8
FTAC FPA and FTAC II FPA	—	—	136.1	136.1
Paysafe Subscription Agreement	—	—	169.6	169.6
Other	1.6	—	—	1.6
Total assets	$ 1,493.4	$ —	$ 340.9	$ 1,834.3

AAII FPA

The AAII FPA is accounted for at fair value pursuant to Accounting Standards Codification ("ASC") Topic 321 *Investment - Equity Securities*. We utilized a Monte Carlo Simulation in determining the fair value of this agreement, which is considered to be a Level 3 fair value measurement. The Monte Carlo Simulation model simulates the current security price to a simulated date for the consummation of the underlying initial business combination based on probabilities of consummation. The value of the agreement is then calculated as the difference between the future simulated price and the fixed purchase price for the underlying security to be purchased. The primary unobservable input utilized in determining the fair value of the AAII FPA is the probability of consummation of the business combinations of each underlying transaction. The probability assigned to the consummation of the AAII Initial Business Combination was 80%. Determination of such probability is based on a hybrid approach which considers observed success rates of business combinations for SPACs, the sponsor of AAII's track record for consummating similar transactions and the current market for SPAC transactions. Based on the total fair value of the AAII FPA as of December 31, 2021, changes in the probability utilized will not result in a change in fair value that is significant or material to the Company's financial position or results of operations.

AAII Warrants

The AAII Warrants are accounted for at fair value pursuant to ASC Topic 815 Derivatives and Hedging. These private placement warrants are valued using the trading price of AAII's publicly traded warrants (NYSE: ASZ-WT) and are considered a Level 2 fair value measurement.

S1 Backstop Agreement

The S1 Backstop Agreement is considered a written option and accounted for at fair value. We utilized a Black-Scholes option pricing formula to determine the fair value of the S1 Backstop Agreement, which is considered to be a Level 2 fair value measurement. The value is calculated based on the common stock price of Trebia, the amount of time the S1 Backstop Agreement is expected to be outstanding, risk free rates and the volatility of the underlying common stock of Trebia.

The following table presents a summary of the changes in the fair values of Level 3 assets, measured on a recurring basis.

	Year Ended December 31, 2021				
	Corporate debt securities	Forward Purchase Agreements	Subscription Agreements	AAII Warrants	Total
Fair value, beginning of period	$ 35.2	$ 136.1	$ 169.6	$ —	340.9
Recognized gain on settlement (1)	1.5	—	—	—	1.5
Net valuation (loss) gain included in earnings (1)	—	(24.2)	7.7	(8.9)	(25.4)
Reclassification to investments in unconsolidated affiliates and Warrants	—	(111.4)	(177.3)	—	(288.7)
Purchase of AAII Warrants	—	—	—	29.6	29.6
Net valuation gain included in other comprehensive earnings (2)	0.6	—	—	—	0.6
Transfers to Level 2	—	—	—	(20.7)	(20.7)
Redemption of corporate debt securities	(37.3)	—	—	—	(37.3)
Fair value, end of period	$ —	$ 0.5	$ —	$ —	$ 0.5

	Year Ended December 31, 2020			
	Corporate debt securities	Forward Purchase Agreements	Subscription Agreements	Total
Fair value, beginning of period	$ 19.2	$ —	$ —	$ 19.2
Paid-in-kind dividends	1.3	—	—	1.3
Net valuation gain included in earnings (1)	—	136.1	169.6	305.7
Net valuation gain included in other comprehensive earnings (2)	14.7	—	—	14.7
Fair value, end of period	$ 35.2	$ 136.1	$ 169.6	$ 340.9

(1) Included in Recognized gains and (losses), net on the Consolidated Statements of Operations

(2) Included in Unrealized gain on investments and other financial instruments, net (excluding investments in unconsolidated affiliates) on the Consolidated Statements of Comprehensive Earnings (Loss)

Transfers into or out of the Level 3 fair value category occur when unobservable inputs become more or less significant to the fair value measurement or upon a change in valuation technique. We transferred the AAII Warrants from Level 3 to Level 2 in the year ended December 31, 2021 as the price of AAII's publicly traded warrants became available.

All of the unrealized gain on investments and other financial instruments, net (excluding investments in unconsolidated affiliates) on our Consolidated Statements of Comprehensive Income for the years ended December 31, 2021, 2020 and 2019 relate to fixed maturity securities considered Level 3 fair value measures.

Additional information regarding the fair value of our investment portfolio is included in Note D.

The carrying amounts of trade receivables and notes receivable approximate fair value due to their short-term nature. The fair value of our notes payable is included in Note K.

Note D. Investments

Equity Securities

Gains (losses) on equity securities included in Recognized losses (gains), net on the Consolidated Statements of Operations consisted of the following for the years ended December 31, 2021 and 2020 (in millions):

	Year ended December 31,	
	2021	2020
Net (losses) gains recognized during the period on equity securities	$ (52.8)	$ 1,991.0
Less: net (losses) gains recognized during the period on equity securities sold or transferred during the period	(32.3)	410.2
Unrealized (losses) gains recognized during the reporting period on equity securities still held at the reporting date	$ (20.5)	$ 1,580.8

We recorded no gains or losses on equity securities for the year ended December 31, 2019.

Investments in Unconsolidated Affiliates

Investments in unconsolidated affiliates recorded using the equity method of accounting as of December 31, 2021 and 2020 consisted of the following (in millions):

	Ownership at December 31, 2021	2021	2020
Dun & Bradstreet	15.8%	$ 595.0	$ 653.2
Alight/FTAC Sponsor (1)	10.0%	505.0	—
Paysafe	8.3%	431.1	—
Optimal Blue	20.0%	267.7	279.8
AmeriLife	19.8%	112.7	121.1
Sightline	32.6%	269.5	—
Other	various	80.3	398.9
Total		$ 2,261.3	$ 1,453.0

(1) Represents both the Company's direct interest in Alight and indirect interest in Alight held through our interest in the FTAC Sponsor.

Equity in earnings (losses) of unconsolidated affiliates for the periods indicated consisted of the following (in millions):

	Year ended December 31,		
	2021	2020	2019
Dun & Bradstreet	$ (13.5)	$ (46.8)	$ (132.
Paysafe/FTAC II Sponsor	53.3	—	–
Alight/FTAC Sponsor	38.2	—	–
Ceridian (1)	—	1.5	16.
Optimal Blue	(13.8)	(9.4)	–
Senator JV	(1.2)	—	–
AmeriLife	(8.7)	(4.0)	–
Sightline	(2.4)	—	–
Other	20.7	117.8	1.
Total	$ 72.6	$ 59.1	$ (115.

(1) The amount for the year ended December 31, 2020 represents the Company's equity in earnings of Ceridian in the three months ended March 31, 2020 prior to the change in accounting for the investment beginning March 31, 2020.

Dun & Bradstreet

Based on quoted market prices, the aggregate fair market value of our ownership of Dun & Bradstreet common stock was approximately $1.4 billion as of December 31, 2021.

As of December 31, 2021, we hold less than 20% of the outstanding common equity of Dun & Bradstreet but account for our ownership interest under the equity method of accounting because we exert significant influence: (a) through our 15.8% ownership, (2) because certain of our senior management and directors serve on D&B's board of directors, and (3) because we are party to an agreement with other of its equity sponsors pursuant to which we have agreed to collectively vote together on all matters related to the election of directors to the Dun & Bradstreet board of directors for a period of three years.

Effective January 1, 2021, D&B made a change in accounting principle related to removal of lag accounting for its international operations that they believe to be preferable. The change in accounting policy was applied retrospectively by D&B. The impact of this change in accounting principle did not have a material impact to our results of operations or financial condition and was applied to our current period accounting for our ownership interest in D&B.

Summarized financial information for Dun & Bradstreet and Star Parent, L.P. ("Star Parent"), the former parent of D&B through which we acquired our ownership interest prior to D&B's initial public offering, for the relevant dates and time periods included in Investments in unconsolidated affiliates and Equity in earnings (losses) of unconsolidated affiliates in our Consolidated Balance Sheets and Statements of Operations, respectively, is presented below. We acquired our initial interest in Star Parent on February 8, 2019. The results of operations for the year ended December 31, 2019 presented below represent Star Parent's results of operations subsequent to our acquisition.

	December 31, 2021	December 31, 2020
	(In millions)	
Total current assets	$ 718.0	$ 874.4
Goodwill and other intangible assets, net	8,317.8	7,672.7
Other noncurrent assets	961.4	673.2
Total assets	$ 9,997.2	$ 9,220.3
Current liabilities	$ 1,004.9	$ 828.1
Long-term debt	3,716.7	3,255.8
Other non-current liabilities	1,530.3	1,552.5
Total liabilities	6,251.9	5,636.4
Noncontrolling interest	64.1	58.3
Total equity	3,745.3	3,583.9
Total liabilities and equity	$ 9,997.2	$ 9,220.3

	Year ended December 31,		For the period from February 8, 2019 to December 31, 2019
	2021	2020	
		(In millions)	
Total revenues	$ 2,165.6	$ 1,738.7	$ 1,413.9
Loss before income taxes	(45.2)	(226.4)	(540.0)
Net loss	(65.9)	(111.6)	(425.8)
Dividends attributable to preferred equity and noncontrolling interest expense	(5.8)	(69.0)	(120.5)
Net loss attributable to Dun & Bradstreet and Star Parent	(71.7)	(180.6)	(546.3)

Optimal Blue

On September 15, 2020, we closed on the acquisition of our ownership interest in Optimal Blue. Summarized financial information for Optimal Blue for the relevant dates and time periods included in Investments in unconsolidated affiliates and Equity in earnings (losses) of unconsolidated affiliates in our Consolidated Balance Sheets and Statements of Operations, respectively, is presented below.

	December 31, 2021	December 31, 2020
	(In millions)	
Total current assets	$ 73.3	$ 38.0
Goodwill and other intangible assets, net	1,711.0	1,831.3
Other assets	105.2	100.1
Total assets	$ 1,889.5	$ 1,969.4
Current liabilities	$ 33.4	$ 28.9
Long-term debt	494.0	493.0
Other non-current liabilities	80.9	105.0
Total liabilities	608.3	626.9
Redeemable member's interest	1,188.8	578.0
Additional paid-in capital	210.8	813.0
Retained deficit	(118.4)	(48.5)
Total members' equity	92.4	764.5
Total liabilities, redeemable member's interest and equity	$ 1,889.5	$ 1,969.4

	Year ended December 31, 2021	For the period from September 15, 2020 to December 31, 2020
	(In millions)	
Total revenues	$ 180.6	$ 45.4
Operating loss	(50.1)	(38.1)
Net loss	(69.9)	(45.9)

Paysafe

Based on quoted market prices, the aggregate value of our ownership of Paysafe common stock was $233.7 million as of December 31, 2021.

Due to significant impairments recorded by Paysafe to its intangible assets in the three months ended September 30, 2021 and the quantum of the decrease in the fair market value of our ownership interest subsequent to our acquisition on March 30, 2021, management determined the decrease in value of our ownership interest in Paysafe was other-than-temporary as of September 30, 2021. Accordingly, we recorded an impairment of $391.8 million in the three months ended September 30, 2021 which is included in Recognized (losses) gains, net, on our Consolidated Statement of Operations for the year ended December 31, 2021.

As of December 31, 2021, we hold less than 20% of the outstanding common equity of Paysafe but we account for our ownership interest under the equity method of accounting because we exert significant influence: (a) through our 8.3% direct ownership, (b) because certain of our senior management and directors serve on Paysafe's board of directors, including the chairman of our Board, William P. Foley II, who is also the chairman of Paysafe's board of directors, and (c) because we are party to an agreement with other of its equity investors pursuant to which we have the ability to appoint or be consulted on the election of the majority of the total directors of Paysafe.

As of the date of our initial acquisition of ownership interest in Paysafe, there was a $567.8 million difference between the amount of our recorded direct equity ownership interest in Paysafe and the amount of the Company's ratable portion of the underlying equity in net assets of Paysafe. In the third quarter of 2021, the sponsor of FTAC II transferred its interest in Paysafe to its owners. As a result of the increase in our direct ownership interest in Paysafe, our basis difference was increased to $618.4 million. As a result of the impairment of our investment in the three months ended September 30, 2021, the basis difference was reduced to $224.3 million. We have evaluated the accounting treatment of such basis difference and allocated the entire remaining basis difference to equity method goodwill, which represents the excess of our basis difference over our equity in Paysafe's net assets that are not attributable to their identifiable net assets.

We report our equity in earnings or loss of Paysafe on a three-month lag and we acquired our ownership interest on March 30, 2021. Accordingly, our net earnings for the year ended December 31, 2021 includes our equity in Paysafe's losses for the period from March 30, 2021 through September 30, 2021. Summarized financial information for Paysafe for the relevant dates and time periods included in Investments in unconsolidated affiliates and Equity in earnings (losses) of unconsolidated affiliates in our Consolidated Balance Sheets and Statements of Operations, respectively, is presented below.

	September 30, 2021	
	(In millions)	
Total current assets	$	1,825.9
Goodwill and other intangible assets, net		4,699.7
Other assets		67.5
Total assets	$	6,593.1
Current liabilities	$	1,623.6
Long-term debt		2,190.9
Other liabilities		172.6
Total liabilities		3,987.1
Noncontrolling interest		137.8
Total equity		2,606.0
Total liabilities and equity	$	6,593.1

	For the period from March 31, 2021 to September 30, 2021
	(In millions)
Total revenues	$ 737.9
Operating loss	(261.6)
Net loss	(140.3)
Net earnings attributable to noncontrolling interest	0.3
Net loss attributable to Paysafe	(140.6)

Alight

Based on quoted market prices, the aggregate value of our direct and indirect ownership of Alight common stock was $567.3 million as of December 31, 2021.

As of December 31, 2021, we hold less than 20% of the outstanding common equity of Alight but we account for our ownership interest under the equity method of accounting because we exert significant influence: (a) through our 10.0% direct and indirect ownership, (b) because certain of our senior management and directors serve on Alight's board of directors, including the chairman of our Board, William P. Foley II, who is also the chairman of Alight's board of directors, and (c) because we are party to an agreement with other of its equity investors pursuant to which we have the ability to appoint or be consulted on the election of the majority of the total directors of Alight.

As of July 2, 2021, there was a $102.1 million difference between the amount of our recorded ownership interest in Alight and the amount of the Company's ratable portion of the underlying equity in net assets of Alight. We have evaluated the accounting treatment of such basis difference and allocated the entire basis difference to equity method goodwill, which represents the excess of our basis difference over our equity in Alight's net assets that are not attributable to their identifiable net assets.

We report our equity in earnings or loss of Alight on a three-month lag and we acquired our ownership interest on July 2, 2021. Accordingly, our net earnings for the year ended December 31, 2021 includes our equity in Alight's earnings for the period from July 2, 2021 through September 30, 2021. Summarized financial information for Alight for the relevant dates and time periods included in Investments in unconsolidated affiliates and Equity in earnings (losses) of unconsolidated affiliates in our Consolidated Balance Sheets and Statements of Operations, respectively, is presented below.

	September 30, 2021
	(In millions)
Total current assets	$ 2,914.0
Goodwill and other intangible assets, net	7,360.0
Other assets	683.0
Total assets	$ 10,957.0
Current liabilities	$ 2,148.0
Long-term debt	2,839.0
Other liabilities	1,292.0
Total liabilities	6,279.0
Noncontrolling interests	825.0
Total equity	4,678.0
Total liabilities and equity	$ 10,957.0

	For the period from July 2, 2021 through September 30, 2021
	(In millions)
Total revenues	$ 690.0
Operating income	25.0
Net loss	(120.0)
Net loss attributable to noncontrolling interests	(13.0)
Net loss attributable to Alight	(107.0)

Sightline

On March 31, 2021, we closed on our initial $32.0 million acquisition interest in Sightline. On August 16, 2021, we acquired an additional $240.0 million of ownership interest in Sightline.

As of August 16, 2021, there was a $212.7 million difference between the amount of our recorded ownership interest in Sightline and the amount of the Company's ratable portion of the underlying equity in net assets of Sightline. We have evaluated the accounting treatment of such basis difference and allocated $132.1 million to customer relationships, $73.5 million to developed technology, $7.1 million to tradenames and the remaining basis difference to equity method goodwill, which represents the excess of our basis difference over our equity in Sightline's net assets that are not attributable to their identifiable net assets. Customer relationships are amortized over ten years and developed technology and tradenames are amortized over five years. Amortization expense of $1.3 million is included in our equity in losses of Sightline for the period from April 1, 2021 through September 30, 2021.

We report our equity in earnings or loss of Sightline on a three-month lag and we acquired our initial ownership interest on March 31, 2021. Accordingly, our net earnings for the year ended December 31, 2021 includes our equity in Sightline's net loss for the period from April 1, 2021 through September 30, 2021. Summarized financial information for Sightline for the relevant dates and time periods included in Investments in unconsolidated affiliates and Equity in earnings (losses) of unconsolidated affiliates in our Consolidated Balance Sheets and Statements of Operations, respectively, is presented below.

	September 30, 2021
	(In millions)
Total current assets	$ 49.3
Goodwill and other intangible assets, net	136.9
Other assets	0.6
Total assets	$ 186.8
Current liabilities	$ 7.8
Other liabilities	0.2
Total liabilities	8.0
Total equity	178.8
Total liabilities and equity	$ 186.8

	For the period from April 1, 2021 through September 30, 2021
	(In millions)
Total revenues	$ 22.9
Net loss	(11.6)

AmeriLife

On March 18, 2020, we closed on the acquisition of our ownership in AmeriLife. Summarized financial information for AmeriLife Joint for the relevant dates and time periods included in Investments in unconsolidated affiliates and Equity in earnings (losses) of unconsolidated affiliates in our Consolidated Balance Sheets and Statements of Operations, respectively, is presented below. We account for our ownership of AmeriLife under the equity method of accounting and report our equity in earnings or loss of AmeriLife on a three-month lag. Accordingly, our net earnings for the years ended December 31, 2021 and 2020 includes our equity in AmeriLife's losses for the period from October 1, 2020 through September 30, 2021 and March 18, 2020 through September 30, 2020, respectively.

	September 30, 2021	September 30, 2020
	(In millions)	
Total current assets	$ 108.3	$ 108.5
Goodwill and other intangible assets, net	1,646.1	1,370.4
Other assets	24.4	16.4
Total assets	$ 1,778.8	$ 1,495.3
Current liabilities	$ 78.2	$ 53.1
Long-term debt	856.5	645.2
Other non-current liabilities	24.7	14.7
Total liabilities	959.4	713.0
Member's equity	570.0	613.4
Noncontrolling interest - nonredeemable	249.4	168.9
Total member's equity	819.4	782.3
Total liabilities and member's equity	$ 1,778.8	$ 1,495.3

	For the year ended September 30, 2021	For the period from March 18, 2020 through September 30, 2020
	(In millions)	
Total revenues	$ 548.1	$ 171.3
Operating income	35.2	9.5
Net loss	(13.7)	(10.1)
Income attributable to noncontrolling interests	31.2	8.3
Net loss attributable to AmeriLife	(44.9)	(18.4)

Fixed Maturity Securities

As discussed in Note A, we received the full payment for the Colt corporate debt securities and as of December 31, 2021, we held no fixed maturity securities. The carrying amounts and fair values of our fixed maturity securities at December 31, 2020 are as follows:

	December 31, 2020				
	Carrying Value	Cost Basis	Unrealized Gains	Unrealized Losses	Fair Value
	(In millions)				
Fixed maturity securities available for sale:					
Corporate debt securities	$ 35.2	$ 22.0	$ 13.2	$ —	$ 35.2
Total	$ 35.2	$ 22.0	$ 13.2	$ —	$ 35.2

The cost basis of fixed maturity securities available for sale includes an adjustment for amortized premium or discount and other-than-temporary-impairment recognized in earnings since the date of purchase.

During the years ended December 31, 2021 and 2020, we recorded no other-than-temporary impairment charges relating to corporate debt securities. During the year ended December 31, 2019, we incurred $0.4 million of other-than-temporary impairment charges relating to corporate debt securities, which is included in Recognized gains and losses, net on the Consolidated Statements of Operations. The impairments recorded relate to a corporate debt holding that had experienced a prolonged period of declining earnings and that were uncertain of our ability to recover our initial investment. The entire loss represents credit loss recognized in earnings and no portion of the loss was included in other comprehensive earnings.

Equity Security Investments Without Readily Determinable Fair Values

We account for our investment in preferred equity of QOMPLX and certain other investments at cost less impairment, if any, plus or minus changes resulting from observable price changes in orderly market transactions. As of December 31, 2021 and 2020, we have $54.2 million and $30.0 million, respectively, recorded for our such investments, which is included in Other long term investments and noncurrent assets on our Consolidated Balance Sheets. We have not recorded any upward or downward adjustments to these investments due to impairments or price changes.

Note E. Property and Equipment

Property and equipment consists of the following:

	December 31,	
	2021	2020
	(In millions)	
Furniture, fixtures and equipment	$ 101.8	$ 118.3
Leasehold improvements	125.6	129.6
Land	25.2	36.7
Buildings	26.5	40.9
Other	4.0	5.1
	283.1	330.6
Accumulated depreciation and amortization	(182.5)	(184.8)
	$ 100.6	$ 145.8

Depreciation expense on property and equipment was $22.5 million, $26.7 million, and $35.8 million for the years ended December 31, 2021, 2020, and 2019, respectively.

Note F. Goodwill

Goodwill consists of the following:

	Restaurant Group	Corporate and Other	Total
		(in millions)	
Balance, December 31, 2019	$ 66.1	$ —	$ 66.1
Impairment	(7.8)	—	(7.8)
Deconsolidation of Blue Ribbon	(4.9)	—	(4.9)
Balance, December 31, 2020	$ 53.4	$ —	$ 53.4
Balance, December 31, 2021	$ 53.4	$ —	$ 53.4

Note G. Variable Interest Entities

The Company, in the normal course of business, engages in certain activities that involve variable interest entities ("VIEs"), which are legal entities in which a group equity investors individually lack any of the characteristics of a controlling interest. The primary beneficiary of a VIE is generally the enterprise that has both the power to direct the activities most significant to the economic performance of the VIE and the obligation to absorb losses or receive benefits that could potentially be significant to the VIE. The Company evaluates its interest in certain entities to determine if these entities meet the definition of a VIE and whether the Company is the primary beneficiary and should consolidate the entity based on the variable interests it held both at inception and when there is a change in circumstances that requires a reconsideration. If the Company is determined to be the primary beneficiary of a VIE, it must account for the VIE as a consolidated subsidiary. If the Company is determined not to be the primary beneficiary of a VIE but holds a variable interest in the entity, such variable interests are accounted for under accounting standards as deemed appropriate. As of and for the years ended December 31, 2021, 2020 and 2019, we are not the primary beneficiary of any VIEs.

Unconsolidated VIEs

The table below summarizes select information related to variable interests held by the Company as of December 31, 2021 and 2020, of which we are not the primary beneficiary:

	2021		2020	
	Total Assets	Maximum Exposure	Total Assets	Maximum Exposure
		(in millions)		
Investments in unconsolidated affiliates	$ 4.5	$ 4.5	$ 299.7	$ 299.7
Paysafe Subscription Agreement	—	—	169.6	169.6
Forward Purchase Agreements	0.5	0.5	136.1	136.1
S1 Backstop Agreement	12.0	12.0	—	—

Investments in Unconsolidated Affiliates

As of December 31, 2021, we held variable interests in certain unconsolidated affiliates, which are primarily comprised of our ownership interests in the sponsors of FTAC, Trebia, AAI and AAII and funds that hold minority ownership interests primarily in healthcare-related entities. Cannae does not have the power to direct the activities that most significantly impact the economic performance of these unconsolidated affiliates; therefore, we are not the primary beneficiary.

The principal risk to which these investments and funds are exposed is the credit risk of the underlying investees. We do not provide any implicit or explicit liquidity guarantees or principal value guarantees to these VIEs. The assets are included in Investments in unconsolidated affiliates on the Consolidated Balance Sheets and accounted for under the equity method of accounting.

See Note D for further discussion of our accounting for investments in unconsolidated affiliates.

Forward Purchase and Backstop Agreements

In addition to the AAII FPA and S1 Backstop Agreement, the Company has ownership interests in the sponsors of Trebia, AAI and AAII, which are considered VIEs for which we are not the primary beneficiary and are included in Investments in unconsolidated affiliates. The assets and liabilities represented by the AAII FPA and S1 Backstop Agreement are accounted for as investments in equity securities pursuant to ASC 321 or as written options. See Notes C and D for further information on our accounting for equity securities and written options.

Note H. Other Intangible Assets

Other intangible assets consist of the following:

	December 31,	
	2021	2020
	(In millions)	
Trademarks and tradenames	$ 24.1	$ 37.8
Software	13.8	13.5
Franchise rights	1.6	9.3
Customer relationships and contracts	5.2	5.2
	44.7	65.8
Accumulated amortization	(17.8)	(14.0)
	$ 26.9	$ 51.8

Amortization expense for amortizable intangible assets was $4.1 million, $4.0 million, and $4.9 million for the years ended December 31, 2021, 2020 and 2019, respectively. Estimated amortization expense for the next five years for assets owned at December 31, 2021, is $3.7 million in 2022, $3.1 million in 2023, $2.3 million in 2024, $2.3 million in 2025 and $2.3 million in 2026.

Note I. Acquisitions

On October 2, 2020, American Blue Ribbon Holdings, LLC ("Blue Ribbon") emerged from a reorganization under Chapter 11 of the United States Bankruptcy Code as a set of reorganized companies. We exchanged $15.5 million of the outstanding balance under a debtor-in-possession loan (the "DIP Loan") between us and Blue Ribbon for 100% of the assets and uncompromised liabilities of Legendary Baking and VIBSQ. The acquisition was accounted for as a business combination pursuant to ASC Topic 805.

The consideration transferred was determined as follows (in millions):

Notes receivable from Blue Ribbon	$ 34.0
Fair value of investment in Blue Ribbon immediately prior to its emergence from bankruptcy	15.2
Total consideration transferred	$ 49.2

All notes receivable by the Company from Blue Ribbon prior to its emergence from bankruptcy of $34.0 million, inclusive of the $15.5 million exchanged for the assets and uncompromised liabilities of Legendary Baking and VIBSQ, $12.0 million of the remaining balance outstanding under the DIP Loan and converted to an intercompany term loan with us, and $6.5 million provided to Blue Ribbon as exit financing and included in the closing term loan with us upon Blue Ribbon's emergence from bankruptcy, is part of the consideration transferred because subsequent to our acquisition of Legendary Baking and VIBSQ, the remaining balance outstanding eliminates in consolidation.

Our interest in Blue Ribbon during its bankruptcy proceedings was accounted for under the equity method of accounting. In conjunction with our acquisition of Legendary Baking and VIBSQ out of bankruptcy, we revalued our interest in Blue Ribbon to fair value, which resulted in a gain of $9.5 million and is included in Recognized gains and losses, net on the Consolidated Statement of Operations for the year ended December 31, 2020. The fair value was determined by performing a combination of discounted cash flow and market approaches. The assets acquired and liabilities assumed have been recorded based on our best estimates of their fair values as of the acquisition date.

The following table summarizes the preliminary fair value amounts recognized for the assets acquired and liabilities assumed as of the acquisition date (dollars in millions):

	Fair Value
Cash	$ 8.6
Other current assets	24.9
Property and equipment	23.2
Lease assets	14.7
Other intangible assets	22.5
Other noncurrent assets	2.6
Total assets acquired	$ 96.5
Current liabilities	$ 27.6
Lease liabilities	14.5
Other noncurrent liabilities	2.3
Total liabilities assumed	$ 44.4
Net assets acquired	$ 52.1

The gross carrying value and weighted average estimated useful lives of Property and equipment and Other intangible assets acquired consist of the following (dollars in millions):

	Gross Carrying Value	Weighted Average Estimated Useful Life (in years)
Property and equipment	$ 23.2	12
Other intangible assets:		
Tradenames	$ 8.0	15
Franchise agreements	7.7	10
Customer relationships	6.4	4
Software	0.4	5
Total Other intangible assets	$ 22.5	

Revenue and net losses of $36.6 million and $4.0 million, respectively, which represents the combined revenue and loss for Legendary Baking and VIBSQ subsequent to our acquisition on October 2, 2020, are included in our Consolidated Statement of Operations for the year ended December 31, 2020.

Note J. Accounts Payable and Other Accrued Liabilities

Accounts payable and other accrued liabilities, current consist of the following:

	December 31, 2021	December 31, 2020
	(In millions)	
Accrued payroll and employee benefits	$ 24.4	$ 21.5
Trade accounts payable	22.7	25.7
Accrued casualty self insurance expenses	8.7	11.5
Tax liabilities, excluding income taxes payable	7.9	9.9
Other accrued liabilities	41.9	24.6
	$ 105.6	$ 93.2

Accounts payable and other accrued liabilities, long term consist of the following:

	December 31, 2021	December 31, 2020
	(In millions)	
Restaurant Group financing obligations	$ 29.5	$ 29.4
Other accrued liabilities	15.5	23.7
	$ 45.0	$ 53.1

Note K. Notes Payable

Notes payable consists of the following:

	December 31, 2021	December 31, 2020
	(In millions)	
2020 Margin Facility	$ —	$ —
Restaurant Revolver	—	—
FNF Revolver	—	—
99 Term Loan	—	16.8
99 Revolver	—	5.0
Brasada Interstate Loans	12.6	13.1
Other	3.8	28.6
Notes payable, total	$ 16.4	$ 63.5
Less: Notes payable, current	2.3	11.3
Notes payable, long term	$ 14.1	$ 52.2

2020 Margin Facility

On November 30, 2020, Cannae Funding C, LLC (“Borrower 1”), an indirect wholly-owned special purpose subsidiary of the “Company, and Cannae Funding D, LLC (“Borrower 2” and, together with Borrower 1, the “Borrowers”), an indirect wholly-owned special purpose subsidiary of the Company, entered into a Margin Loan Agreement (the “2020 Margin Facility”) with the lenders from time to time party thereto and Royal Bank of Canada. The Company concurrently entered into a guaranty (the “Guaranty Agreement”) for the benefit of each of the lenders to the 2020 Margin Facility pro rata to their loan commitments, pursuant to which the Company absolutely, unconditionally and irrevocably guaranteed all of the Borrowers’ obligations under the 2020 Margin Facility for a period of up to one year after the later of (i) the conditions precedent to the obligations of the lenders under the Loan Agreement being met (the date when such conditions have been met, the “Closing Date”) or (ii) as relevant, additional collateral or additional loan commitments being provided. Under the 2020 Margin Facility, the Borrowers may initially borrow up to $100.0 million in revolving loans and, subject to certain terms and conditions, may enter into an amendment to the 2020 Margin Facility to borrow up to $500.0 million in revolving loans (including the initial revolving loans) from the same initial lender and/or additional lenders on substantially identical terms and conditions as the initial revolving loans. The 2020 Margin Facility matures on the 36-month anniversary of the Closing Date. All outstanding amounts under the 2020 Margin Facility bear interest quarterly at a rate per annum equal to a three-month LIBOR rate plus an applicable margin. Interest will be payable in kind unless the Borrowers elect to pay interest in cash or a cumulative cap is exceeded. The Borrowers' obligations under the 2020 Margin Facility were initially secured by a first priority lien on (i) 6 million shares of common stock, par value $0.01 per share (the "Ceridian Common Stock"), of Ceridian, which the Company contributed to Borrower 1, and (ii) 19 million shares of common stock, par value $0.0001 per share (the "DNB Common Stock"), of D&B, which the Company contributed to Borrower 2. The Borrowers were also permitted, at their discretion, to post up to an additional 4 million shares of Ceridian Common Stock and/or 11 million shares of DNB Common Stock as collateral for the revolving loans from time to time after the Closing Date, subject to certain notice, guaranty, average daily trading volume and other requirements. The 2020 Margin Facility requires the Borrowers to maintain a certain loan-to-value ratio (based on the value of Ceridian Common Stock and DNB Common Stock). In the event the Borrowers fail to maintain such loan-to-value ratio, the Borrowers must post additional cash collateral under the Loan Agreement and/or elect to repay a portion of the revolving loans thereunder, or sell the Ceridian Common Stock and/or DNB Common Stock and use the proceeds from such sale to prepay a portion of the revolving loans thereunder.

On August 16, 2021, the Borrowers entered into an amendment agreement to the 2020 Margin Facility, which increased the borrowing capacity of the 2020 Margin Facility by an additional $100.0 million and resulted in the transfer of 16,000,000 additional shares of DNB Common Stock to Borrower 2 as collateral. On December 10, 2021, the Borrowers entered into a second amendment agreement to the 2020 Margin Facility, which increased the borrowing capacity by an additional $100.0 million and released 1 million shares of Ceridian Common Stock as collateral. As of December 31, 2021, the 2020 Margin Facility is secured by a first priority lien on 5 million shares of Ceridian Common Stock and the DNB Common Stock.

As of December 31, 2021, there was no outstanding balance and $300.0 million of capacity under the 2020 Margin Facility with an option to increase the total capacity to $500.0 million upon amendment.

On January 20, 2022, the Borrowers entered into a third amendment agreement to the 2020 Margin Facility, which added 1 million shares of Ceridian Common Stock as collateral, limited the collateral value of DNB Common Stock to 1.5 times that of the Ceridian Common Stock for purposes of calculating loan-to-value ratios, and increased the threshold price of Ceridian Common Stock and DNB Common Stock.

Restaurant Credit Facilities

On December 21, 2018, 99 Restaurants LLC, a direct, wholly-owned subsidiary of 99 Restaurants entered into a credit agreement (the "99 Restaurants Credit Facility"), as amended from time to time, with Fifth Third Bank and other lenders thereto. The 99 Restaurants Credit Facility principally provided for: (i) a maximum revolving loan of $15.0 million (the "99 Revolver") with a maturity date of December 21, 2023 and (ii) a maximum term loan of $37.0 million (the "99 Term Loan") with monthly installment repayments through November 30, 2023 and a maturity date of December 21, 2023 for the outstanding unpaid principal balance. The 99 Restaurants Credit Facility also allowed for 99 Restaurants LLC to request up to $5.0 million of letters of credit commitments and $2.5 million in swingline debt. On December 1, 2020, 99 Restaurants LLC entered into a waiver, consent and amendment to the 99 Restaurants Credit Facility pursuant to which the borrowing capacity under the 99 Revolver was permanently reduced by $7.5 million and certain financial covenants were waived, among other changes. The outstanding balance under the 99 Restaurants Credit Facility was paid off in its entirety on December 31, 2021 in conjunction with the execution of the 2021 Restaurants Credit Facility (defined below).

On December 31, 2021, 99 Restaurants, LLC and 99 West, LLC, both wholly-owned subsidiaries of 99 Restaurants, O'Charley's LLC, a wholly-owned subsidiary of O'Charley's and Restaurant Growth Services, LLC, a 65.4%-owned subsidiary of the Company (collectively, the "Restaurant Borrowers") entered into an amendment to the 99 Restaurants Credit Facility (the "2021 Restaurants Credit Facility"). The 2021 Restaurants Credit Facility principally provides for: (i) a revolving credit commitment of $25.0 million in the aggregate (the "Restaurant Revolver") and (ii) a subfacility for an aggregate of $15.0 million of letters of credit. The 2021 Restaurants Credit Facility matures on December 31, 2026. The 2021 Restaurants Credit Facility is secured by certain assets of the Restaurant Borrowers and their subsidiaries and contains customary covenants and events of default.

As of December 31, 2021, there are no outstanding borrowings and there is $25.0 million of aggregate borrowing capacity under the Restaurants Revolver.

Brasada Interstate Loans

On January 29, 2016, FNF NV Brasada, LLC, an Oregon limited liability company and majority-owned subsidiary of Cannae ("NV Brasada"), entered into a credit agreement with an aggregate borrowing capacity of $17.0 million (the "Interstate Credit Agreement") originally with Bank of the Cascades, as lender. The Interstate Credit Agreement provides for a $12.5 million acquisition loan (the "Acquisition Loan"). On June 13, 2018, the Interstate Credit Agreement was modified to add an additional line of credit of $3.6 million ("C Note") and to assign the loan from the Bank of the Cascades to First Interstate Bank.

The Interstate Loans are secured by certain single-family residential lots that can be sold for construction, owned by NV Brasada, and certain other operating assets owned by NV Brasada. The Company does not provide any guaranty or stock pledge under the Interstate Credit Agreement.

As of December 31, 2021, the Acquisition Loan had $10.0 million outstanding and incurred interest at rates from 2.34% to 4.5% and the C Note had $2.0 million outstanding and incurred interest at 2.35%.

FNF Revolver

On November 17, 2017, FNF issued to Cannae a revolver note in aggregate principal amount of up to $100.0 million (the "FNF Revolver"). Pursuant to the FNF Revolver, FNF may make one or more loans to us in increments of $1.0 million, with up to $100.0 million outstanding at any time. The FNF Revolver accrues interest at LIBOR plus 450 basis points and matures on the five-year anniversary of the date of the FNF Revolver. The maturity date is automatically extended for additional five-year terms unless notice of non-renewal is otherwise provided by either FNF or Cannae, in their sole discretion.

As of December 31, 2021, there was no outstanding balance and $100.0 million of available borrowing capacity under the FNF Revolver.

Gross principal maturities of notes payable at December 31, 2021 are as follows (in millions):

2022	$	2.2
2023		0.8
2024		1.1
2025		0.8
2026		10.6
Thereafter		1.6
	$	17.1

At December 31, 2021, the carrying value of our outstanding notes payable approximate fair value. The revolving credit facilities are considered Level 2 financial liabilities.

Note L. Income Taxes

Income tax expense (benefit) on continuing operations consists of the following:

	Year Ended December 31,		
	2021	2020	2019
	(In millions)		
Current	$ 101.5	$ 116.1	$ 64.7
Deferred	(175.5)	365.1	(40.5)
	$ (74.0)	$ 481.2	$ 24.2

A reconciliation of the federal statutory rate to our effective tax rate is as follows:

	Year Ended December 31,		
	2021	2020	2019
Federal statutory rate	21.0 %	21.0 %	21.0 %
State income taxes, net of federal benefit	(0.3)	(0.1)	(0.2)
Tax credits	1.0	(0.1)	(2.6)
Valuation allowance	0.1	0.1	0.5
Non-deductible expenses and other, net	—	—	0.1
Non-deductible executive compensation	(1.3)	0.5	1.8
Noncontrolling interests	—	0.3	2.6
Basis difference in investments	0.7	—	(2.8)
Other	(0.6)	(0.2)	(1.0)
Effective tax rate excluding equity investments	20.6 %	21.5 %	19.4 %
Equity investments	(3.5)	0.6	(9.2)
Effective tax rate	17.1 %	22.1 %	10.2 %

The change in the effective tax rate in all periods is primarily attributable to the varying impact of earnings or losses from unconsolidated affiliates on our consolidated pretax earnings or losses.

The significant components of deferred tax assets and liabilities at December 31, 2021 and 2020 consist of the following:

	December 31,	
	2021	2020
	(In millions)	
Deferred tax assets:		
Net operating loss carryforwards	$ 3.3	$ 4.1
Other	0.5	1.4
Total gross deferred tax asset	3.8	5.5
Less: valuation allowance	(3.0)	(3.3)
Total deferred tax asset	$ 0.8	$ 2.2
Deferred tax liabilities:		
Partnerships	$ (144.6)	$ (327.5)
Total deferred tax liability	$ (144.6)	$ (327.5)
Net deferred tax liability	$ (143.8)	$ (325.3)

The Company’s deferred taxes are primarily reflected as the book to tax difference in the Company's ownership of Cannae LLC. The Company, through its direct and indirect interests, holds a 100% ownership percentage of Cannae LLC.

The decrease in our net deferred tax liability as of December 31, 2021 from 2020 is primarily related to the impairment of our ownership interest in Paysafe, distributions from the Senator JV and sales and mark to market losses on the Company's investment in Ceridian.

The Company’s gross state NOL carryforwards were $67.0 million and $68.5 million at December 31, 2021 and 2020, respectively. The NOLs expire in various tax years through 2042.

ASC 740 requires that companies assess whether a valuation allowance should be established against their deferred tax assets based on the consideration of all of the available evidence using a “more likely than not” standard. A valuation allowance is established for deferred tax assets if, based on the weight of available evidence, it is more likely than not that some portion or all of the deferred tax assets may not be realized. Management evaluated the Company’s deferred tax assets for recoverability using a consistent approach that considers the relative impact of negative and positive evidence, in particular, the Company’s historical profitability and any projections of future taxable income or potential future tax planning strategies. As of December 31, 2021 and 2020, the Company recorded a valuation allowance of $3.0 million and $3.3 million, respectively, related to state NOLs, as it is more likely than not that the tax benefit of certain state NOLs will not be realized before the NOLs expire.

Unrecognized tax benefits are recorded for differences between tax positions the Company takes, or expects to take, on its income tax return compared to the benefit recognized for financial statement purposes. The Company does not have any unrecognized tax benefits as of December 31, 2021, 2020 or 2019.

The Company's federal and state income tax returns for the tax years ended December 31, 2021, 2020, 2019 and 2018 remain subject to examination.

Note M. Commitments and Contingencies

Legal Contingencies

In the ordinary course of business, we are involved in various pending and threatened litigation and regulatory matters related to our operations, some of which include claims for punitive or exemplary damages. Our ordinary course litigation includes purported class action lawsuits, which make allegations related to various aspects of our business. From time to time, we also receive requests for information from various state and federal regulatory authorities, some of which take the form of civil investigative demands or subpoenas. Some of these regulatory inquiries may result in the assessment of fines for violations of regulations or settlements with such authorities requiring a variety of remedies. We believe that no actions, other than those discussed below, if any, depart from customary litigation or regulatory inquiries incidental to our business.

Our Restaurant Group companies are a defendant from time to time in various legal proceedings arising in the ordinary course of business, including claims relating to injury or wrongful death under “dram shop” laws that allow a person to sue us based on any injury caused by an intoxicated person who was wrongfully served alcoholic beverages at one of the restaurants; individual and purported class or collective action claims alleging violation of federal and state employment, franchise and other laws; and claims from guests or employees alleging illness, injury or other food quality, health or operational concerns. Our Restaurant Group companies are also subject to compliance with extensive government laws and regulations related to employment practices and policies and the manufacture, preparation, and sale of food and alcohol. We may also become subject to lawsuits and other proceedings, as well as card network fines and penalties, arising out of the actual or alleged theft of our customers' credit or debit card information.

We review lawsuits and other legal and regulatory matters (collectively “legal proceedings”) on an ongoing basis when making accrual and disclosure decisions. When assessing reasonably possible and probable outcomes, management bases its decision on its assessment of the ultimate outcome assuming all appeals have been exhausted. For legal proceedings in which it has been determined that a loss is both probable and reasonably estimable, a liability based on known facts that represents our best estimate is recorded. As of December 31, 2021 and 2020, our accrual for settlements of legal proceedings was not considered material. Actual losses may materially differ from the amounts recorded and the ultimate outcome of our pending legal proceedings is generally not yet determinable. While some of these matters could be material to our operating results or cash flows for any particular period in the event of an unfavorable outcome, at present, we do not believe that the ultimate resolution of currently pending legal proceedings, either individually or in the aggregate, will have a material adverse effect on our financial condition, results of operations or cash flows.

On September 23, 2020, a stockholder derivative lawsuit styled Oklahoma Firefighters Pension & Retirement System, derivatively on behalf of Cannae Holdings, Inc. v. William P. Foley, II, et al., was filed in the Court of Chancery of the State of Delaware against the Company, certain Board members and officers of the Company, and the Manager, alleging breach of fiduciary duties relating to the Company’s Management Services Agreement. The plaintiff further alleges the Board breached their fiduciary duties by approving bonuses in connection with the initial public offering of Ceridian and the approval of an Investment Success Incentive Plan in August 2018. Along with the Complaint, the plaintiff filed a motion for partial summary judgment as to the count seeking to void the Management Services Agreement. On January 27, 2021, the Company entered into an amendment to the Management Services Agreement and plaintiff withdrew its motion for partial summary judgment as moot. On February 1, 2021, the court ordered the plaintiff's summary judgment motion withdrawn and dismissed the related count of the plaintiff's complaint. On February 18, 2021, our Board formed a Special Litigation Committee (the "SLC") consisting of two of the Board’s Directors, and has authorized the SLC, among other things, to investigate and evaluate the claims and allegations asserted in the lawsuit. The Board has also given the SLC the sole authority and power to consider and determine whether or not prosecution of the claims asserted in the lawsuit is in the best interest of the Company and its shareholders, and what action the Company should take with respect to the lawsuit. On March 9, 2021, the Court entered a stipulated Order staying the action for six months to allow the SLC to investigate, review, and evaluate the facts, circumstances, and claims asserted in or relating to the action and to determine the Company’s response thereto. The stay has subsequently been extended through April 10, 2022. The defendants will contest the remaining claims in the action vigorously.

Unconditional Purchase Obligations

We have certain unconditional purchase obligations, primarily in our Restaurant Group segment. These purchase obligations are with various vendors and primarily related to food and beverage obligations with fixed commitments in regards to the time period of the contract and the quantities purchased with annual price adjustments that can fluctuate. We used both historical and projected volume and pricing as of December 31, 2021 to determine the amount of the obligations. Purchase obligations as of December 31, 2021 are as follows (in millions):

2022	$	94.3
2023		8.6
2024		6.4
2025		6.3
2026		6.4
Thereafter		0.8
Total purchase commitments	$	122.8

Note N. Discontinued Operations

T-System

On December 31, 2019, we completed the contribution of T-System Holdings, Inc. ("T-System") to CorroHealth. As a result of such contribution, the results of operations of T-System have been reclassified to discontinued operations in our Consolidated Statements of Operations for the year ended December 31, 2019. We retained a 22.7% equity interest in CorroHealth, the company to which we contributed our equity in T-System. We recognized a pre-tax loss of $6.4 million on the sale and $1.4 million in income tax benefit which are included in Net loss from discontinued operations on the Consolidated Statement of Operations for the year ended December 31, 2019.

A reconciliation of the operations of T-System included in the Consolidated Statement of Operations is shown below:

	Year Ended December 31,	
	2019	
	(in millions)	
Revenues:		
Other operating revenue	$	50.4
Total operating revenues		50.4
Operating expenses:		
Personnel costs		33.1
Depreciation and amortization		13.7
Other operating expenses		19.1
Goodwill impairment		35.1
Total operating expenses		101.0
Operating loss		(50.6)
Other expense:		
Recognized loss		(6.9)
Total other expense		(6.9)
Loss before income taxes		(57.5)
Income tax benefit		(5.7)
Net loss from discontinued operations	$	(51.8)
Cash flow from discontinued operations data:		
Net cash provided by operations	$	2.7
Net cash used in investing activities	$	(0.5)

Note O. Revenue Recognition

Disaggregation of Revenue

Our revenue consists of the following:

		Year ended December 31,		
		2021	2020	2019
Revenue Stream	**Segment**	**Total Revenue**		
Restaurant revenue:		(in millions)		
Restaurant sales	Restaurant Group	$ 673.2	$ 534.1	$ 958.4
Bakery sales	Restaurant Group	28.8	23.4	78.9
Franchise and other	Restaurant Group	2.7	2.2	6.0
Total restaurant revenue		704.7	559.7	1,043.3
Other operating revenue:				
Real estate and resort	Corporate and other	34.6	24.7	25.9
Other	Corporate and other	2.9	1.3	0.8
Total other operating revenue		37.5	26.0	26.7
Total operating revenue		742.2	585.7	1,070.0

Restaurant revenue consists of restaurant sales, bakery operations, and, to a lesser extent, franchise revenue and other revenue. Restaurant sales include food and beverage sales and gift card breakage, are net of applicable state and local sales taxes and discounts, and are recognized at a point in time as services are performed and goods are provided.

Revenue from bakery operations is recognized at a point in time in the period during which the products are shipped and control transfers to the customer.

Franchise revenue and other revenue consist of development fees and royalties on sales by franchised units. Initial franchise fees are recognized as income upon commencement of the franchise operation and completion of all material services and conditions by the Company. Royalties are calculated as a percentage of the franchisee sales and recognized in the period in which the sales are generated. Revenue resulting from the sale of gift cards is recognized in the period in which the gift card is redeemed and is recorded as deferred revenue until recognized.

Other operating revenue consists of income generated by our resort operations, which includes sales of real estate, lodging rentals, food and beverage sales, and other income from various resort services offered. Revenue is recognized upon closing of the sale of real estate or once goods and services have been provided and billed to the customer.

Contract Balances

The following table provides information about receivables and deferred revenue:

	December 31, 2021	December 31, 2020
	(In millions)	
Trade receivables, net	$ 17.7	$ 17.6
Deferred revenue (contract liabilities)	23.1	23.9

Trade receivables, net are included in Other current assets on our Consolidated Balance Sheets.

Deferred revenue is recorded primarily for restaurant gift card sales. The unrecognized portion of such revenue is recorded as Deferred revenue in the Consolidated Balance Sheets. Revenue of $20.6 million and $17.5 million was recognized in the years ended December 31, 2021 and 2020, respectively, which was included in Deferred revenue at the beginning of the period.

There was no impairment related to contract balances.

Note P. Concentration of Risk

Financial instruments that potentially subject us to concentrations of credit risk consist primarily of cash equivalents.

We place cash equivalents with high credit quality financial institutions and, by policy, limit the amount of credit exposure with any one financial institution.

Our Restaurant Group companies obtain a majority of their restaurant food products and supplies from two distributors. Although we believe alternative vendors could be found in a timely manner, any disruption of these services could potentially have an adverse impact on operating results.

Note Q. Segment Information

On March 30, 2021, we closed on our acquisition of an ownership interest in Paysafe. We account for our ownership interest in Paysafe under the equity method of accounting and report our equity in earnings or loss of Paysafe on a three-month lag. Our chief operating decision maker reviews the full financial results of Paysafe for purposes of assessing performance and allocating resources. Accordingly, we consider Paysafe a reportable segment and have included the full results of Paysafe subsequent to the FTAC II Paysafe Merger, on a three-month lag, in the tables below.

We acquired our ownership interest in AmeriLife in March 18, 2020. We account for our investment in AmeriLife under the equity method of accounting and report our equity in earnings or loss of AmeriLife on a three-month lag. Our chief operating decision maker reviews the full financial results of AmeriLife for purposes of assessing performance and allocating resources. Beginning in the three months ended March 31, 2021, AmeriLife exceeded certain of the quantitative thresholds prescribed by ASC 280 *Segment Reporting* and we began considering AmeriLife a reportable segment and have included the full results of AmeriLife subsequent to our investment, on a three-month lag, in the tables below.

On July 2, 2021, we closed on our acquisition of an ownership interest in Alight. We account for our ownership interest in Alight under the equity method of accounting and report our equity in earnings or loss of Alight on a three-month lag. Our chief operating decision maker reviews the full financial results of Alight for purposes of assessing performance and allocating resources of the Company. Accordingly, we consider Alight a reportable segment and have included the full results of Alight subsequent to the FTAC Alight Business Combination, on a three-month lag, in the tables below.

As of and for the year ended December 31, 2021:

	Restaurant Group	Dun & Bradstreet	Optimal Blue	Amerilife	Paysafe	Alight	Corporate and Other	Affiliate Elimination	**Total**
					(in millions)				
Restaurant revenues	$ 704.7	$ —	$ —	$ —	$ —	$ —	$ —	$ —	**$ 704.7**
Other revenues	—	2,165.6	180.6	548.1	737.9	690.0	37.5	(4,322.2)	**37.5**
Revenues from external customers	704.7	2,165.6	180.6	548.1	737.9	690.0	37.5	(4,322.2)	**742.2**
Interest and investment income, including recognized (losses) gains, net	2.1	0.7	—	—	143.1	—	(291.8)	(143.8)	**(289.7)**
Total revenues and other income	706.8	2,166.3	180.6	548.1	881.0	690.0	(254.3)	(4,466.0)	**452.5**
Depreciation and amortization	24.0	615.9	135.2	65.7	131.9	10.0	2.6	(958.7)	**26.6**
Interest expense	(8.8)	(206.4)	(31.5)	(48.9)	(82.0)	(28.0)	(1.0)	396.8	**(9.8)**
(Loss) earnings from continuing operations, before income taxes and equity in earnings (loss) of unconsolidated affiliates	(18.3)	(45.2)	(81.6)	(13.7)	(200.5)	(120.0)	(414.7)	461.0	**(433.0)**
Income tax expense (benefit)	1.0	23.4	(11.7)	—	(60.2)	—	(75.0)	48.5	**(74.0)**
(Loss) earnings from continuing operations, before equity in earnings (loss) of unconsolidated affiliates	(19.3)	(68.6)	(69.9)	(13.7)	(140.3)	(120.0)	(339.7)	412.5	**(359.0)**
Equity in earnings of unconsolidated affiliates	—	2.7	—	—	—	—	17.1	52.8	**72.6**
Loss from continuing operations	$ (19.3)	$ (65.9)	$ (69.9)	$ (13.7)	$ (140.3)	$ (120.0)	$ (322.6)	$ 465.3	**$ (286.4)**
Assets	$ 395.5	$ 9,997.2	$ 1,889.5	$ 1,778.8	$ 6,593.1	$ 10,957.0	$ 3,494.1	$ (31,215.6)	**$ 3,889.6**
Goodwill	53.4	3,493.3	1,228.7	947.4	3,536.6	3,356.0	—	(12,562.0)	**53.4**

As of and for the year ended December 31, 2020:

	Restaurant Group	Dun & Bradstreet	Optimal Blue	Amerilife	Corporate and Other	Affiliate Elimination	Total
				(in millions)			
Restaurant revenues	$ 559.7	$ —	$ —	$ —	$ —	$ —	**$ 559.7**
Other revenues	—	1,738.7	45.4	171.3	26.0	(1,955.4)	**26.0**
Revenues from external customers	559.7	1,738.7	45.4	171.3	26.0	(1,955.4)	**585.7**
Interest and investment income, including recognized gains (losses), net	7.5	0.7	—	—	2,371.9	(0.7)	**2,379.4**
Total revenues and other income	567.2	1,739.4	45.4	171.3	2,397.9	(1,956.1)	**2,965.1**
Depreciation and amortization	27.7	537.8	39.3	15.4	3.0	(592.5)	**30.7**
Interest expense	(8.6)	(271.1)	(9.3)	(19.7)	(0.4)	300.1	**(9.0)**
(Loss) earnings from continuing operations, before income taxes and equity in earnings (loss) of unconsolidated affiliates	(85.5)	(226.4)	(47.4)	(10.1)	2,267.4	283.9	**2,181.9**
Income tax expense (benefit)	(1.0)	(112.4)	(1.5)	—	482.2	113.9	**481.2**
(Loss) earnings from continuing operations, before equity in earnings of unconsolidated affiliates	(84.5)	(114.0)	(45.9)	(10.1)	1,785.2	170.0	**1,700.7**
Equity in (losses) earnings of unconsolidated affiliates	(9.2)	2.4	—	—	128.3	(62.4)	**59.1**
(Loss) earnings from continuing operations	$ (93.7)	$ (111.6)	$ (45.9)	$ (10.1)	$ 1,913.5	$ 107.6	**$ 1,759.8**
Assets	$ 520.9	$ 9,220.3	$ 1,969.4	$ 1,495.3	$ 4,092.5	$ (12,685.0)	**$ 4,613.4**
Goodwill	53.4	2,857.9	1,236.8	806.2	—	(4,900.9)	**53.4**

As of and for the year ended December 31, 2019:

	Restaurant Group	Dun & Bradstreet	Corporate and Other	Affiliate Elimination	Total
			(in millions)		
Restaurant revenues	$ 1,043.3	$ —	$ —	$ —	**$ 1,043.3**
Other revenues	—	1,413.9	26.7	(1,413.9)	**26.7**
Revenues from external customers	1,043.3	1,413.9	26.7	(1,413.9)	**1,070.0**
Interest and investment income, including recognized gains (losses), net	3.9	2.4	369.4	(2.4)	**373.3**
Total revenues and other income	1,047.2	1,416.3	396.1	(1,416.3)	**1,443.3**
Depreciation and amortization	38.5	482.4	2.2	(482.4)	**40.7**
Interest expense	(5.4)	(303.5)	(12.4)	303.5	**(17.8)**
(Loss) earnings from continuing operations, before income taxes and equity in losses of unconsolidated affiliates	(80.9)	(540.0)	318.8	540.0	**237.9**
Income tax expense (benefit)	0.3	(110.0)	23.9	110.0	**24.2**
(Loss) earnings from continuing operations, before equity in losses of unconsolidated affiliates	(81.2)	(430.0)	294.9	430.0	**213.7**
Equity in earnings (losses) of unconsolidated affiliates	—	4.2	1.3	(120.6)	**(115.1)**
(Loss) earnings from continuing operations	$ (81.2)	$ (425.8)	$ 296.2	$ 309.4	**$ 98.6**
Assets	$ 572.8	$ 9,112.8	$ 1,519.4	$ (9,112.8)	**$ 2,092.2**
Goodwill	66.1	2,840.1	—	(2,840.1)	**66.1**

The activities in our segments include the following:

- *Restaurant Group.* This segment consists primarily of the operations of O'Charley's and 99 Restaurants in which we have 65.4% and 88.5% ownership interests, respectively. O'Charley's and 99 Restaurants and their affiliates are the owners and operators of the O'Charley's and Ninety Nine Restaurants restaurant concepts. This segment also includes the operations of Legendary Baking and VIBSQ prior to their respective sales in 2021, for the periods from January 1, 2020 through January 27, 2020 and from October 2, 2020 through December 31, 2020, and for the year ended December 31, 2019.
- *Dun & Bradstreet.* This segment consists of our 15.8% ownership interest in Dun & Bradstreet. Dun & Bradstreet is a leading global provider of business decisioning data and analytics. Clients embed D&B's trusted, end-to-end solutions into their daily workflows to enhance salesforce productivity, gain visibility into key markets, inform commercial credit decisions and confirm that suppliers are financially viable and compliant with laws and regulations. Dun & Bradstreet's solutions support its clients’ mission critical business operations by providing proprietary and curated data and analytics to help drive informed decisions and improved outcomes. Dun & Bradstreet's global commercial

database contains hundreds of millions of business records. Our chief operating decision maker reviews the full financial results of Dun & Bradstreet for purposes of assessing performance and allocating resources. Thus, we consider Dun & Bradstreet a reportable segment and have included the full results of Dun & Bradstreet subsequent to our initial acquisition of ownership interests in the tables above. We account for Dun & Bradstreet using the equity method of accounting, and therefore its results do not consolidate into ours. Accordingly, we have presented the elimination of Dun & Bradstreet's results in the *Affiliate Elimination* section of the segment presentation above. Our net earnings for the year ended December 31, 2019, includes our equity in Star Parent's losses for the period from February 8, 2019, the date we made our initial acquisition of an ownership interest in Star Parent, to December 31, 2019. See Note D for further discussion of our ownership interest in Dun & Bradstreet and related accounting.

- *Alight*. This segment consists of our 10.0% ownership interest in Alight. Alight is a leading cloud-based provider of integrated digital human capital and business solutions. Alight has an unwavering belief that a company's success starts with its people, and its solutions connect human insights with technology. Leveraging artificial intelligence and data analytics, Alight provide an integrated, personalized experience for employees using technology-driven solutions that unlock value for employers. Alight's mission-critical solutions enable employees to enrich their health, wealth and wellbeing which helps global organizations achieve a high-performance culture. Our chief operating decision maker reviews the full financial results of Alight for purposes of assessing performance and allocating resources. Thus, we consider Alight a reportable segment and have included the full results of Alight subsequent to our initial acquisition of an ownership interest in the tables above. We account for Alight using the equity method of accounting, and therefore, its results do not consolidate into ours. Accordingly, we have presented the elimination of Alight's results in the *Affiliate Elimination* section of the segment presentation above. We report our equity in earnings or loss of Alight on a three-month lag and we acquired our investment on July 2, 2021. Accordingly, our net earnings and the segment tables above, respectively, for the year ended December 31, 2021, include our equity in Alight's earnings and complete results of Alight, respectively, for the period from July 2, 2021 through September 30, 2021. See Note D for further discussion of our ownership interest in Alight and related accounting.

- *Paysafe*. This segment consists of our 8.3% ownership interest in Paysafe. Paysafe provides payment processing solutions through several business lines. These business lines are focused on card not present and card present solutions for small to medium size business merchants, wallet based online payment solutions through Skrill and NETELLER brands and solutions that enable consumers to use cash to facilitate online purchases through its paysafecard prepaid vouchers. Our chief operating decision maker reviews the full financial results of Paysafe for purposes of assessing performance and allocating resources. Thus, we consider Paysafe a reportable segment and have included the full results of Paysafe subsequent to our initial acquisition of an ownership interest in the tables above. We account for Paysafe using the equity method of accounting, and therefore, its results do not consolidate into ours. Accordingly, we have presented the elimination of Paysafe's results in the *Affiliate Elimination* section of the segment presentation above. We report our equity in earnings or loss of Paysafe on a three-month lag and we acquired our ownership interest on March 30, 2021. Accordingly, our net earnings and the segment tables above, respectively, for the year ended December 31, 2021, include our equity in Paysafe's earnings and complete results of Paysafe, respectively, for the period from March 30, 2021 through September 30, 2021. See Note D for further discussion of our ownership interest in Paysafe and related accounting.

- *Optimal Blue*. This segment consists of our 20.0% ownership interest in Optimal Blue. Optimal Blue is a leading provider of secondary market solutions and actionable data services. They operate a software-as-a-service, subscription-based mortgage marketplace that supports a network of originators and investors in the residential mortgage market. The marketplace provides a broad set of critical functions utilized by banks, credit unions and mortgage brokerage companies throughout the mortgage processing life cycle. Optimal Blue exceeds certain of the quantitative thresholds prescribed by ASC 280 *Segment Reporting* and our chief operating decision maker reviews the financial results of Optimal Blue for purposes of assessing performance and allocating resources. Thus, we consider Optimal Blue a reportable segment and have included the results of operations of Optimal Blue in the tables above. We account for Optimal Blue using the equity method of accounting, and therefore its results do not consolidate into ours. Accordingly, we have presented the elimination of Optimal Blue's results in the *Affiliate Elimination* section of the segment presentation above. Our net earnings for the year ended December 31, 2020, includes our equity in Optimal Blue's losses for the period from September 15, 2020, the date we made our initial acquisition of an ownership interest in Optimal Blue, to December 31, 2020. See Note D for further discussion of our ownership interest in Optimal Blue and related accounting.

- *AmeriLife.* This segment consists of our 19.8% ownership interest in AmeriLife. AmeriLife is a leader in marketing and distributing life, health, and retirement solutions. AmeriLife has partnered with the nation's leading insurance carriers to provide value and quality to customers served through a national distribution network of insurance agents and advisors, marketing organizations, and insurance agency locations. AmeriLife exceeds certain of the quantitative thresholds prescribed by ASC 280 *Segment Reporting* and our chief operating decision maker reviews the financial results of AmeriLife for purposes of assessing performance and allocating resources. Thus, we consider AmeriLife a reportable segment and have included the results of operations of AmeriLife in the tables above. We account for our ownership interest in AmeriLife under the equity method of accounting, and therefore, its results do not consolidate into ours. Accordingly, we have presented the elimination of AmeriLife's results in the *Affiliate Elimination* section of the segment presentation above. We report our equity in earnings or loss of AmeriLife on a three-month lag and we acquired our interest in AmeriLife on March 18, 2020. Our net earnings and the segment tables above, respectively, for the year ended December 31, 2021 includes our equity in AmeriLife’s losses and the complete results of AmeriLife, respectively, for the year ended September 30, 2021 and our net earnings and the segment tables above for the year ended December 31, 2020, respectively, includes our equity in AmeriLife's losses and complete results of AmeriLife for the period from March 18, 2020 through September 30, 2020. See Note D for further discussion of our ownership interest in AmeriLife and related accounting.

- *Corporate and Other.* This aggregation of nonreportable segments consists of our share in the operations of certain controlled portfolio companies and other equity investments, activity of the corporate holding company and certain intercompany eliminations and taxes.

Note R. Related Party Transactions

FNF

For the years ended December 31, 2020 and 2019, the Company was allocated certain corporate overhead and management services expenses from FNF based on the terms of the CSA and our proportionate share of the expense determined on actual usage and our best estimate of management's allocation of time. Total operating expenses allocated from FNF to us was $1.3 million in each of the years ended 2020 and 2019. In the year ended December 31, 2021, the Company paid $3.5 million to FNF for services under the CSA, employee costs and reimbursement for out of pocket expenses paid by FNF on our behalf.

On January 17, 2020, we completed the purchase of our corporate office headquarters in Las Vegas, Nevada from an affiliate of FNF for $9.3 million.

Trasimene

During the year ended December 31, 2021, we incurred $33.6 million of management fee expenses payable to our Manager and incurred $44.5 million of carried interest expense related to sales of and distributions from Company investments. During the year ended December 31, 2020, we incurred $20.8 million of management fee expenses payable to our Manager, incurred $11.3 million of carried interest expense related to sales of and distributions from Company investments, and earned $9.1 million of income related to transaction fees earned by the Manager and allocable to us pursuant to the Management Services Agreement. Such management fees and carried interest expense are recorded in Other operating expenses and transaction fee income is recorded in Interest, investment and other income on our Consolidated Statements of Operations.

Special Purpose Acquisition Company Investments and Commitments

See Note A for discussion of Cannae's investments, and commitments to invest in, Trebia, AAI and AAII, which are sponsored by certain of our directors and affiliates of our Manager.

Note S. Recent Accounting Pronouncements

In December 2019, the FASB issued Accounting Standards Update ("ASU") 2019-12 *Income Taxes - Simplifying the Accounting for Income Taxes (Topic 740)*, which simplifies various aspects of the income tax accounting guidance and will be applied using different approaches depending on what the specific amendment relates to and, for public entities, are effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020. We have adopted this ASU which did not have a material impact on our Consolidated Financial Statements and related disclosures. This ASU could result in a material change to our accounting for taxes in future interim periods if a change in tax laws or rates occurs in a future interim period as this ASU now requires accounting for such changes to occur in the period in which changes to tax laws or rates are enacted.

Note T. Supplementary Cash Flow Information

The following supplemental cash flow information is provided with respect to interest and tax payments, as well as certain non-cash investing and financing activities.

	Year Ended December 31,		
	2021	2020	2019
		(In millions)	
Cash paid during the year:			
Interest	$ 7.0	$ 5.5	$ 15.6
Income taxes	128.9	107.6	48.6
Operating leases	37.8	41.3	62.6
Non-cash investing and financing activities:			
Preferred shares received as consideration for note receivable from QOMPLX	$ 19.3	$ —	$ —
Exchange of directly held Alight warrants for Alight common stock	12.8	—	—
Investment in CorroHealth received as partial consideration for T-System	—	—	60.2
Non-cash distribution of CoreLogic stock to Senator JV	—	112.5	—
Non-cash contribution of CoreLogic stock from Senator JV	—	176.3	—
Lease assets recognized in exchange for lease liabilities	9.3	65.0	8.5
Assets acquired in non-cash acquisition of Legendary Baking and VIBSQ	—	96.5	—
Liabilities assumed in non-cash acquisition of Legendary Baking and VIBSQ	—	44.4	—
Financing obligations assumed by O'Charley's in exchange for property	—	—	14.6
Property obtained by O'Charley's in exchange for stores	—	—	10.5

Item 9. *Changes in and Disagreements with Accountants on Accounting and Financial Disclosure*

None.

Item 9A. *Controls and Procedures*

Evaluation of Disclosure Controls and Procedures

As of the end of the year covered by this Annual Report, we carried out an evaluation, under the supervision and with the participation of our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures as such term is defined in Rule 13a-15(e) or 15d-15(e) under the Exchange Act. Based on this evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in the reports that we file or submit under the Exchange Act is: (a) recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms; and (b) accumulated and communicated to management, including our principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure.

Management's Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f) or 15d-15(f). Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting using the criteria set forth under the framework in *Internal Control-Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on our evaluation under this framework, our management concluded that our internal control over financial reporting was effective as of December 31, 2021.

The effectiveness of our internal control over financial reporting as of December 31, 2021 has been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report, which is included herein.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the quarter ended December 31, 2021 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. *Other Information*

None.

Item 9C. *Disclosure Regarding Foreign Jurisdictions that Prevent Inspections*

None.

PART III

Items 10-14.

Within 120 days after the close of our fiscal year, we intend to file with the SEC the matters required by these items.

PART IV

Item 15. ***Exhibits, Financial Statement Schedules and Reports on Form 8-K***

(a) (1) *Financial Statements.* The following is a list of the Consolidated Financial Statements of Cannae Holdings, Inc. and its subsidiaries included in Item 8 of Part II:

All other schedules are omitted because they are not applicable or not required, or because the required information is included in the Consolidated Financial Statements or notes thereto.

(a) (2) The following exhibits are incorporated by reference or are set forth on pages to this Form 10-K:

Exhibit Number	Description
2.1	Reorganization Agreement, dated as of November 17, 2017, between Cannae Holdings, Inc. and Fidelity National Financial, Inc. (filed as Exhibit 2.1 to the Company's Current Report on Form 8-K, filed November 20, 2017)
2.2	Purchase Agreement, dated as of February 15, 2022, by and among Black Knight, Inc.; Optimal Blue I, LLC; Cannae Holdings, Inc.; Optimal Blue Holdco, LLC; and Black Knight Technologies, LLC, among others (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K, filed February 18, 2022).
3.1	Restated Certificate of Incorporation of Cannae Holdings, Inc. (filed as Exhibit 3.1 to the Company's Current Report on Form 8-K, filed November 20, 2017)
3.2	Restated Bylaws of Cannae Holdings, Inc. (filed as Exhibit 3.2 to the Company's Current Report on Form 8-K, filed November 20, 2017)
4.1	Specimen Certificate for shares of Common Stock (incorporated by reference to Exhibit 4.1 to Amendment No. 2 to the Company's Registration Statement on Form S-1 on Form S-4 (File No. 333-217-886), filed July 24, 2017)
4.2	Description of Common Stock (filed as Exhibit 4.2 to the Company's Annual Report on Form 10-K for the year ended December 31, 2019, filed March 2, 2020)
10.1	Revolver Note, dated as of November 17, 2017, by and between Cannae Holdings, Inc. and Fidelity National Financial, Inc. (filed as Exhibit 10.1 to the Company's Current Report on Form 8-K, filed November 20, 2017)
10.2	Tax Matters Agreement, dated as of November 17, 2017, by and between Cannae Holdings, Inc. and Fidelity National Financial, Inc. (filed as Exhibit 10.2 to the Company's Current Report on Form 8-K, filed November 20, 2017)
10.3	Corporate Services Agreement, dated as of November 17, 2017, by and between Cannae Holdings, Inc. and Fidelity National Financial, Inc. (filed as Exhibit 10.3 to the Company's Current Report on Form 8-K, filed November 20, 2017)
10.4	Voting Agreement, dated as of November 17, 2017, by and between Cannae Holdings, Inc. and Fidelity National Financial, Inc. (filed as Exhibit 10.4 to the Company's Current Report on Form 8-K, filed November 20, 2017)
10.5	Registration Rights Agreement, dated as of November 17, 2017, by and between Cannae Holdings, Inc. and Chicago Title Insurance Company. (filed as Exhibit 10.5 to the Company's Current Report on Form 8-K, filed November 20, 2017)
10.6	Registration Rights Agreement, dated as of November 17, 2017, by and between Cannae Holdings, Inc. and Fidelity National Title Insurance Company (filed as Exhibit 10.6 to the Company's Current Report on Form 8-K, filed November 20, 2017)
10.7	Registration Rights Agreement, dated as of November 17, 2017, by and between Cannae Holdings, Inc. and Commonwealth Land Title Insurance Company (filed as Exhibit 10.7 to the Company's Current Report on Form 8-K, filed November 20, 2017)
10.8	Master Assignment and Assumption, dated as of March 13, 2018, by and between Cannae Holdings, LLC as the assignee, Wells Fargo Bank, N.A. as assignor, and other assignors party thereto (incorporated by reference to Exhibit 10.9 to the Company's Annual Report on Form 10-K for the year ended December 31, 2017, filed March 26, 2018)
10.9	Agency Succession Agreement, dated as of March 13, 2018, by and between Cannae Holdings, LLC and Wells Fargo Bank, N.A. (incorporated by reference to Exhibit 10.10 to the Company's Annual Report on Form 10-K for the year ended December 31, 2017, filed March 26, 2018).
10.10	Form of Notice of Restricted Stock Grant and Restricted Stock Award Agreement under Cannae Holdings, Inc. 2017 Omnibus Incentive Plan (time-based vesting) for November 2017 Awards (incorporated by reference to Exhibit 10.11 to the Company's Annual Report on Form 10-K for the year ended December 31, 2017, filed March 26, 2018). (1)
10.11	Form of Notice of Restricted Stock Grant and Restricted Stock Award Agreement under Cannae Holdings, Inc. 2017 Omnibus Incentive Plan (time-based vesting) for November 2018 Awards (incorporated by reference to Exhibit 10.16 to the Company Annual Report on Form 10-K for the year ended December 31, 2018, filed March 14, 2019) (1)
10.12	Management Services Agreement, dated as of August 27, 2019, with effect September 1, 2019, by and among the Cannae Holdings, Inc., Cannae Holdings, LLC and Trasimene Capital Management, LLC (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed August 27, 2019)
10.13	Amended and Restated Operating Agreement of Cannae Holdings, LLC, dated August 27, 2019, with effect September 1, 2019 (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed August 27, 2019)

Exhibit Number	Description
10.14	Second Amended and Restated Limited Liability Company Agreement of Optimal Blue Holdco, LLC, dated September 15, 2020, by and among Optimal Blue Holdco, LLC, THL Optimal Blue Blocker Corp., Black Knight Technologies, LLC, Cannae Holdings, LLC and the other Persons who may from time to time become parties thereto in accordance with the terms therein (incorporated by reference to Exhibit 10.14 to the Company's Annual Report on Form 10-K for the year ended December 31, 2021, filed February 26, 2021).
10.15	Margin Loan Agreement, dated as of November 30, 2020, among Cannae Funding C, LLC, as Borrower 1, Cannae Funding D, LLC, as Borrower 2, the lenders from time to time party thereto and Royal Bank of Canada, as administrative agent and calculation Margin Loan Agreement, dated as of November 30, 2020, among Cannae Funding C, LLC, as Borrower 1, Cannae Funding D, LLC, as Borrower 2, the lenders from time to time party thereto and Royal Bank of Canada, as administrative agent and calculation agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed December 2, 2020).
10.16	Guaranty, dated as of November 30, 2020, of Cannae Holdings, Inc. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed December 2, 2020).
10.17	Extension of Corporate Services Agreement, dated October 1, 2020 (executed October 7, 2020), by and between Fidelity National Financial, Inc., and Cannae Holdings, Inc. (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the period ended September 30, 2020, filed November 9, 2020).
10.18	Subscription Agreement, dated as of January 25, 2021, by and among Foley Trasimene Acquisition Corp., Acrobat Holdings, Inc. and Cannae Holdings, LLC (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed January 27, 2021).
10.19	Amended and Restated Sponsor Agreement, dated as of January 25, 2021 (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed January 26, 2021).
10.20	First Amendment to Management Services Agreement, dated as of January 27, 2021, by and among Cannae Holdings, Inc., Cannae Holdings, LLC and Trasimene Capital Management, LLC (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed January 29, 2021.)
10.21	Amended and Restated Sponsor Agreement, dated as of January 25, 2021 (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed January 27, 2021).
10.22	First Amendment to Management Services Agreement, dated as of January 27, 2021, by and among Cannae Holdings, Inc., Cannae Holdings, LLC and Trasimene Capital Management, LLC (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed January 29, 2021).
10.23	Amended and Restated Sponsor Agreement, dated as of June 28, 2021 (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed June 29, 2021).
10.24	Backstop Agreement, dated as of June 28, 2021, by and among Trebia Acquisition Corp. and Cannae Holdings, Inc. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed June 29, 2021).
10.25	Amended and Restated Management Services Agreement, dated as of August 4, 2021, by and among Cannae Holdings, Inc., Cannae Holdings, LLC and Trasimene Capital Management, LLC (incorporated by reference to Exhibit 10.7 to the Company's Quarterly Report on Form 10-Q for the period ended June 30, 2021 filed August 6, 2021).
10.26	Amendment Agreement dated as of August 16, 2021, to the Margin Loan Agreement, dated as of November 30, 2020, among Cannae Funding C, LLC, as Borrower 1, Cannae Funding D, LLC, as Borrower 2, the lenders from time to time party thereto and Royal Bank of Canada, as administrative agent (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the period ended September 30, 2021, filed November 9, 2021.).
10.27	Restricted Stock Award Agreement dated as of November 11, 2021 (1)

Exhibit Number	Description
21.1	List of Subsidiaries
23.1	Consent of Deloitte & Touche LLP.
23.2	Consent of KPMG LLP with respect to report related to Dun & Bradstreet Holdings, Inc.
23.3	Consent of KPMG LLP with respect to report related to Star Parent, L.P.
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification by Chief Executive Officer of Periodic Financial Reports pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350
32.2	Certification by Chief Financial Officer of Periodic Financial Reports pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350.
99.1	Audited Financial Statements of Dun & Bradstreet Holdings, Inc.
99.2	Audited Financial Statements of Star Parent, L.P. for the Period from February 8, 2019 to December 31, 2019 (incorporated by reference to Exhibit 99.2 to the Company's Annual Report on Form 10-K, filed March 25, 2020)
101.INS	Inline XBRL Instance Document (2)
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
104	Cover Page Interactive Data File formatted Inline XBRL and contained in Exhibit 101.

(1) A management or compensatory plan or arrangement required to be filed as an exhibit to this report pursuant to Item 15(b) of Form 10-K
(2) The instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document.

Item 16. ***Form 10-K Summary***

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Cannae Holdings, Inc.
By: */s/ David W. Ducommun*
David W. Ducommun
President

Date: February 25, 2022

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ David W. Ducommun David W. Ducommun	President (Principal Executive Officer)	February 25, 2022
/s/ Bryan D. Coy Bryan D. Coy	Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	February 25, 2022
/s/ William P. Foley, II William P. Foley, II	Director and Chairman of the Board	February 25, 2022
/s/ David Aung David Aung	Director	February 25, 2022
/s/ Hugh R. Harris Hugh R. Harris	Director	February 25, 2022
/s/ C. Malcolm Holland C. Malcolm Holland	Director	February 25, 2022
/s/ Mark D. Linehan Mark D. Linehan	Director	February 25, 2022
/s/ Frank R. Martire Frank R. Martire	Director	February 25, 2022
/s/ Richard N. Massey Richard N. Massey	Director	February 25, 2022
/s/ Erika Meinhardt Erika Meinhardt	Director	February 25, 2022
/s/ Barry B. Moullet Barry B. Moullet	Director	February 25, 2022
/s/ James B. Stallings, Jr. James B. Stallings, Jr.	Director	February 25, 2022
/s/ Frank P. Willey Frank P. Willey	Director	February 25, 2022

EXHIBIT 10.27

Cannae Holdings, Inc.
2017 Omnibus Incentive Plan

Notice of Restricted Stock Grant (Time-Based)

You (the "Grantee") have been granted the following award of restricted Shares of Cannae Holdings, Inc. Common Stock (the "Restricted Stock"), par value $0.0001 per share (the "Shares"), by Cannae Holdings, Inc. (the "Company"), pursuant to the Cannae Holdings, Inc. 2017 Omnibus Incentive Plan (the "Plan") and the terms set forth in the attached Restricted Stock Award Agreement:

Name of Grantee:	
Number of Shares of Restricted Stock Granted:	
Effective Date of Grant:	November 11, 2021
Vesting and Period of Restriction:	Subject to the terms of the Plan and the Restricted Stock Award Agreement attached hereto, the Period of Restriction shall lapse, and the Shares shall vest and become free of the forfeiture provisions contained in the Restricted Stock Award Agreement, with respect to one-third (1/3) of the shares on each of the first three anniversaries of the Effective Date of Grant, as more specifically described on Exhibit A hereto.

By your electronic acceptance/signature below, you agree and acknowledge that the Restricted Stock is granted under and governed by the terms and conditions of the Plan and the attached Restricted Stock Award Agreement, which are incorporated herein by reference, and that you have been provided with a copy of the Plan and Restricted Stock Award Agreement. If you have not accepted or declined this Restricted Stock Grant, including the terms of this Notice and Restricted Stock Award Agreement, prior to the first anniversary of the Effective Date of Grant, you are hereby advised and acknowledge that you shall be deemed to have accepted the terms of this Notice and Restricted Stock Award Agreement on such first anniversary of the Effective Date of Grant.

Electronic Signature
Accepted Date

Cannae Holdings, Inc.
2017 Omnibus Incentive Plan

Restricted Stock Award Agreement

Section 1. GRANT OF RESTRICTED STOCK

(a) **Restricted Stock**. On the terms and conditions set forth in the Notice of Restricted Stock Grant and this Restricted Stock Award Agreement (the "Agreement"), the Company grants to the Grantee on the Effective Date of Grant the Shares of Restricted Stock (the "Restricted Stock") set forth in the Notice of Restricted Stock Grant.

(b) **Plan and Defined Terms**. The Restricted Stock is granted pursuant to the Plan. All terms, provisions, and conditions applicable to the Restricted Stock set forth in the Plan and not set forth herein are hereby incorporated by reference herein. To the extent any provision hereof is inconsistent with a provision of the Plan, the provisions of the Plan will govern. All capitalized terms that are used in the Notice of Restricted Stock Grant or this Agreement and not otherwise defined therein or herein shall have the meanings ascribed to them in the Plan.

Section 2. FORFEITURE AND TRANSFER RESTRICTIONS

(a) **Forfeiture**. Except as otherwise provided in Grantee's employment, director services or similar agreement in effect at the time of the employment termination:

(i) If the Grantee's employment or service as a Director or Consultant is terminated for any reason other than death, or Disability (as defined below), the Grantee shall, for no consideration, forfeit to the Company the Shares of Restricted Stock to the extent such Shares are subject to a Period of Restriction at the time of such termination.

(ii) If the Grantee's employment or service as a Director or Consultant is terminated due to the Grantee's death or Disability, a portion of the Shares which on the date of termination of employment remain subject to a Period of Restriction (as defined in Exhibit A) shall vest and become free of the forfeiture and transfer restrictions contained in the Agreement (except as otherwise provided in Section 2(b) of this Agreement). The portion which shall vest shall be determined by the following formula (rounded to the nearest whole Share):

(A x B) - C, where

A = the total number of Shares granted under this Agreement,

B = the number of completed months to the date of termination of employment since the Effective Date of Grant divided by 36, and

C = the number of Shares granted under this Agreement which vested on or prior to the date of termination of employment.

All Shares that are subject to a Period of Restriction on the date of termination of employment or service as a Director or Consultant and which will not be vested pursuant to Section 2(a)(ii) above, shall be forfeited to the Company, for no consideration.

(iii) The term “Disability” shall have the meaning ascribed to such term in the Grantee’s employment, director services or similar agreement with the Company. If the Grantee’s employment, director services or similar agreement does not define the term “Disability,” or if the Grantee has not entered into an employment, director services or similar agreement with the Company or any Subsidiary, the term “Disability” shall mean the Grantee’s entitlement to long-term disability benefits pursuant to the long-term disability plan maintained by the Company or in which the Company’s employees participate.

(b) **Transfer Restrictions**. During the Period of Restriction, the Restricted Stock may not be sold, assigned, pledged, exchanged, hypothecated or otherwise transferred, encumbered or disposed of, to the extent such Shares are subject to a Period of Restriction.

(c) **Holding Period**. If and when (i) the Grantee is an Officer (as defined in Rule 16a-1(f) of the Exchange Act), and (ii) Grantee does not hold Shares with a value sufficient to satisfy the applicable stock ownership guidelines of the Company in place at that time, then Grantee must retain 50% of the Shares acquired by Grantee as a result of the lapse of a Period of Restriction (excluding from the calculation any Shares withheld for purposes of satisfying Grantee’s tax obligations in connection with such lapse of a Period of Restriction) until such time as the value of the Shares remaining in Grantee’s possession following any sale, assignment, pledge, exchange, gift or other transfer of the Shares shall be sufficient to meet any applicable stock ownership guidelines of the Company in place at that time. For the avoidance of doubt, at any time when Grantee holds, in the aggregate, Shares with a value sufficient to satisfy the applicable stock ownership guidelines of the Company in place at that time, Grantee may enter into a transaction with respect to any Shares acquired by Grantee as a result of the lapse of a Period of Restriction without regard to the holding period requirement contained in this Section 2(b) so long as Grantee shall continue to satisfy such stock ownership guidelines following such transaction.

(d) **Lapse of Restrictions**. The Period of Restriction shall lapse as to the Restricted Stock in accordance with the Notice of Restricted Stock Grant and the terms of this Agreement. Subject to the terms of the Plan and Section 6(a) hereof, upon lapse of the Period of Restriction, the Grantee shall own the Shares that are subject to this Agreement free of all restrictions other than the holding period described in Section 2(c) above. Upon the occurrence of a Change in Control, unless otherwise specifically prohibited under applicable laws, or by the rules and regulations of any governing governmental agencies or national securities exchanges, any Period of Restriction or other restriction imposed on the Restricted Stock that has not previously lapsed, including the holding period described in Section 2(c) above, shall lapse.

Section 3. STOCK CERTIFICATES

As soon as practicable following the grant of Restricted Stock, the Shares of Restricted Stock shall be registered in the Grantee’s name in certificate or book-entry form. If a certificate is issued, it shall bear an appropriate legend referring to the restrictions and it shall be held by the Company, or its agent, on behalf of the Grantee until the Period of Restriction has lapsed. If the Shares are registered in book-entry form, the restrictions shall be placed on the book-entry registration. The Grantee may be required to execute and return to the Company a blank stock power for each Restricted Stock certificate (or instruction letter, with respect to Shares registered in book-entry form), which will permit transfer to the Company, without further action, of all or any portion of the Restricted Stock that is forfeited in accordance with this Agreement.

Section 4. SHAREHOLDER RIGHTS

Except for the transfer and dividend restrictions, and subject to such other restrictions, if any, as determined by the Committee, the Grantee shall have all other rights of a holder of Shares, including the right to vote (or to execute proxies for voting) such Shares. Unless otherwise determined by the Committee, if all or part of a dividend in respect of the Restricted Stock is paid in Shares or any other security issued by the Company, such Shares or other securities shall be held by the Company subject to the same restrictions as the Restricted Stock in respect of which the dividend was paid.

Section 5. DIVIDENDS

(a) Any dividends paid with respect to Shares which remain subject to a Period of Restriction shall not be paid to the Grantee but shall be held by the Company.

(b) Such held dividends shall be subject to the same Period of Restriction as the Shares to which they relate.

(c) Any dividends held pursuant to this Section 5 which are attributable to Shares which vest pursuant to this Agreement shall be paid to the Grantee within 30 days of the applicable vesting date.

(d) Dividends attributable to Shares forfeited pursuant to Section 2 of this Agreement shall be forfeited to the Company on the date such Shares are forfeited.

Section 6. MISCELLANEOUS PROVISIONS

(a) **Tax Withholding**. Pursuant to Article 20 of the Plan, the Committee shall have the power and right to deduct or withhold, or require the Grantee to remit to the Company, an amount sufficient to satisfy any federal, state and local taxes (including payroll taxes) required by law to be withheld with respect to this Award. The Committee may condition the delivery of Shares upon the Grantee's satisfaction of such withholding obligations. The Grantee may elect to satisfy all or part of such withholding requirement by tendering previously-owned Shares or by having the Company withhold Shares having a Fair Market Value equal to the minimum statutory withholding (based on minimum statutory withholding rates for federal, state and local tax purposes, as applicable, including the Grantee's FICA taxes) that could be imposed on the transaction, and, to the extent the Committee so permits, amounts in excess of the minimum statutory withholding to the extent it would not result in additional accounting expense. Such election shall be irrevocable, made in writing, signed by the Grantee, and shall be subject to any restrictions or limitations that the Committee, in its sole discretion, deems appropriate.

(b) **Ratification of Actions**. By accepting this Agreement, the Grantee and each person claiming under or through the Grantee shall be conclusively deemed to have indicated the Grantee's acceptance and ratification of, and consent to, any action taken under the Plan or this Agreement and Notice of Restricted Stock Grant by the Company, the Board or the Committee.

(c) **Notice**. Any notice required by the terms of this Agreement shall be given in writing and shall be deemed effective upon personal delivery or upon deposit with the United

States Postal Service, by registered or certified mail, with postage and fees prepaid. Notice shall be addressed to the Company at its principal executive office and to the Grantee at the address that he or she most recently provided in writing to the Company.

(d) **Choice of Law**. This Agreement and the Notice of Restricted Stock Grant shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to any conflicts of law or choice of law rule or principle that might otherwise cause the Plan, this Agreement or the Notice of Restricted Stock Grant to be governed by or construed in accordance with the substantive law of another jurisdiction.

(e) **Arbitration**. Subject to, and in accordance with the provisions of Article 3 of the Plan, any dispute or claim arising out of or relating to the Plan, this Agreement or the Notice of Restricted Stock Grant shall be settled by binding arbitration before a single arbitrator in the State of Delaware and in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The arbitrator shall decide any issues submitted in accordance with the provisions and commercial purposes of the Plan, this Agreement and the Notice of Restricted Stock Grant, provided that all substantive questions of law shall be determined in accordance with the state and federal laws applicable in the State of Delaware, without regard to internal principles relating to conflict of laws.

(f) **Modification or Amendment**. This Agreement may only be modified or amended by written agreement executed by the parties hereto; provided, however, that the adjustments permitted pursuant to Section 4.3 of the Plan may be made without such written agreement.

(g) **Severability**. In the event any provision of this Agreement shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining provisions of this Agreement, and this Agreement shall be construed and enforced as if such illegal or invalid provision had not been included.

(h) **References to Plan**. All references to the Plan shall be deemed references to the Plan as may be amended from time to time.

(i) **Section 409A Compliance**. To the extent applicable, it is intended that the Plan and this Agreement comply with the requirements of Code Section 409A and any related regulations or other guidance promulgated with respect to such Section by the U.S. Department of the Treasury or the Internal Revenue Service and the Plan and the Award Agreement shall be interpreted accordingly.

EXHIBIT A
Vesting and Restrictions

This grant is subject to a Time-Based Restriction, as described below (the “Period of Restriction”).

Time-Based Restrictions

Anniversary Date	% of Restricted Stock to Vest
November 11, 2022	33 1/3%
November 11, 2023	33 1/3%
November 11, 2024	33 1/3%

EXHIBIT 21.1

CANNAE HOLDINGS, INC.
List of Subsidiaries December 31, 2021
Significant Subsidiaries

COMPANY	INCORPORATION
Cannae Holdings, LLC	Delaware
DNB Holdco, LLC	Delaware
Dun & Bradstreet Holdings, Inc.	Delaware
Paysafe Limited	Bermuda
Alight, Inc.	Delaware

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-221694 on Form S-8 and Registration Statement No. 333-235303 on Form S-3 of our reports dated February 25, 2022 relating to the financial statements of Cannae Holdings, Inc. (the "Company") and the effectiveness of the Company's internal control over financial reporting appearing in this Annual Report on Form 10-K for the year ended December 31, 2021.

/s/ Deloitte & Touche LLP

Las Vegas, Nevada
February 25, 2022

Exhibit 23.2

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statements (No. 333-235303) on Form S-3 and (No. 333-221694) on Form S-8 of Cannae Holdings, Inc. of our report dated February 24, 2022, with respect to the consolidated financial statements and the effectiveness of internal control over financial reporting of Dun & Bradstreet Holdings, Inc., which report appears in the annual report on Form 10-K of Cannae Holdings, Inc.

/s/ KPMG LLP

New York, New York
February 24, 2022

Exhibit 23.3

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statements (No. 333-235303) on Form S-3 and (No. 333-221694) on Form S-8 of Cannae Holdings, Inc. of our report dated February 24, 2022, with respect to the consolidated financial statements of Star Parent, L.P., which report appears in the annual report on Form 10-K of Cannae Holdings, Inc.

/s/ KPMG LLP

New York, New York
February 24, 2022

Exhibit 31.1

CERTIFICATIONS

I, David W. Ducommun, certify that:

1. I have reviewed this annual report on Form 10-K of Cannae Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2022

By: *\/s/ David W. Ducommun*
David W. Ducommun
President and Principal Executive Officer

Exhibit 31.2

CERTIFICATIONS

I, Bryan D. Coy, certify that:

1. I have reviewed this annual report on Form 10-K of Cannae Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2022

By: */s/ Bryan D. Coy*
Bryan D. Coy
Chief Financial Officer and Principal Financial Officer

Exhibit 32.1

CERTIFICATION OF PERIODIC FINANCIAL REPORTS PURSUANT TO 18 U.S.C. §1350

The undersigned hereby certifies that he is the duly appointed and acting Principal Executive Officer of Cannae Holdings, Inc., a Delaware corporation (the "Company"), and hereby further certifies as follows.

1. The periodic report containing financial statements to which this certificate is an exhibit fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934.

2. The information contained in the periodic report to which this certificate is an exhibit fairly presents, in all material respects, the financial condition and results of operations of the Company.

In witness whereof, the undersigned has executed and delivered this certificate as of the date set forth opposite his signature below.

Date: February 25, 2022

By: *_/s/David W. Ducommun_*
David W. Ducommun
President and Principal Executive Officer

Exhibit 32.2

CERTIFICATION OF PERIODIC FINANCIAL REPORTS PURSUANT TO 18 U.S.C. §1350

The undersigned hereby certifies that he is the duly appointed and acting Chief Financial Officer of Cannae Holdings, Inc., a Delaware corporation (the "Company"), and hereby further certifies as follows.

1. The periodic report containing financial statements to which this certificate is an exhibit fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934.

2. The information contained in the periodic report to which this certificate is an exhibit fairly presents, in all material respects, the financial condition and results of operations of the Company.

In witness whereof, the undersigned has executed and delivered this certificate as of the date set forth opposite his signature below.

Date: February 25, 2022

By: *_/s/ Bryan D. Coy_*
Bryan D. Coy
Chief Financial Officer and Principal Financial Officer

Exhibit 99.1

Dun & Bradstreet Holdings, Inc.
Financial Statements

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Dun & Bradstreet Holdings, Inc.:

Opinions on the Consolidated Financial Statements and Internal Control Over Financial Reporting

We have audited the accompanying consolidated balance sheets of Dun & Bradstreet Holdings, Inc. and subsidiaries (the Company) as of December 31, 2021 and 2020, the related consolidated statements of operations and comprehensive income (loss), stockholder equity, and cash flows for each of the years in the three-year period ended December 31, 2021 (Successor period), and of The Dun & Bradstreet Corporation and subsidiaries (Predecessor) for the period from January 1, 2019 to February 7, 2019 (Predecessor period), and the related notes (collectively, the consolidated financial statements). We also have audited the Company's internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2021 (Successor period), and the results of the Predecessor's operations and its cash flows for the period from January 1, 2019 to February 7, 2019 (Predecessor period), in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2021 based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

The Company acquired Bisnode Business Information Group AB ("Bisnode") during 2021, and management excluded from its assessment of the effectiveness of the Company's internal control over financial reporting as of December 31, 2021, Bisnode's internal control over financial reporting associated with less than 2% of total assets (Bisnode's related goodwill and intangible assets are included within the scope of management's assessment), and approximately 18% of total revenues included in the consolidated financial statements of the Company as of and for the year ended December 31, 2021. Our audit of internal control over financial reporting of the Company also excluded an evaluation of the internal control over financial reporting of Bisnode.

New Basis of Accounting

As discussed in Note 1 to the consolidated financial statements, effective February 8, 2019, the Predecessor was acquired in a business combination accounted for using the acquisition method. As a result of the acquisition, the consolidated financial information for the periods after the acquisition are presented on a different cost basis than that for the periods before the acquisition and, therefore, is not comparable.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's consolidated financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Determination of standalone selling price

As discussed in Note 2 of the consolidated financial statements, the Company's contracts with clients often include multiple performance obligations. For these contracts, the Company allocates the transaction price to each performance obligation in the contract on a relative standalone selling price basis. Standalone selling price is the price at which the Company would sell a promised good or service separately to a client. When the standalone selling price is not directly observable from actual standalone sales, the Company estimates a standalone selling price making maximum use of any observable data and estimates of what a client in the market would be willing to pay for the goods or services.

We identified the assessment of the determination of standalone selling price as a critical audit matter. Subjective auditor judgment was required to evaluate standalone selling prices determined using ranges of observable standalone sales and ranges of selling price data when directly observable sales are not available.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the Company's revenue process, including controls over the determination of standalone selling prices. We evaluated the methodology used to determine standalone selling prices by considering whether there were any changes in goods and services sold or selling practices that could affect the methodology or the relevance of selling price data used in the methodology. We tested observable selling price reports by agreeing selling price inputs to revenue contracts. For a selection of standalone selling prices, we evaluated the Company's assessment of the effect that observable selling price data has on the standalone selling price. For a selection of standalone selling prices that were changed from a previously established price, we assessed the revised standalone selling prices by comparing them to observable selling price data.

Sufficiency of audit evidence over IT systems used in the revenue recognition process

As discussed in Note 18 to the consolidated financial statements, the Company generated $1,499.4 million of revenue in North America for the year-ended December 31, 2021. The processing and recording of revenue in North America is reliant upon multiple information technology (IT) systems.

We identified the sufficiency of audit evidence over IT systems used in the revenue recognition process in North America as a critical audit matter. Subjective auditor judgment was required to evaluate the sufficiency of audit evidence obtained because of the complexity of the IT environment related to the revenue recognition process. Specifically, obtaining an understanding of the systems used in the Company’s recognition of revenue and evaluating the related internal controls required the involvement of professionals with specialized skills and knowledge.

The following are the primary procedures we performed to address this critical audit matter. We performed risk assessment procedures and applied auditor judgment to determine the nature and extent of procedures to be performed over revenue. We involved IT professionals with specialized skills and knowledge, who assisted in 1) gaining an understanding of the systems used in the Company’s recognition of revenue and 2) evaluating the design and testing the operating effectiveness of certain internal controls over the revenue process. This included the general IT and IT application controls related to recording revenue in North America. On a sample basis, we also tested certain revenue transactions by comparing the recorded amounts to underlying documentation. We evaluated the sufficiency of audit evidence obtained by assessing the results of procedures performed including the appropriateness of the nature and extent of audit evidence.

Fair value measurement of the reacquired right intangible asset acquired in the Bisnode acquisition

As discussed in Note 16 to the consolidated financial statements, the Company acquired 100% ownership of Bisnode on January 8, 2021 for total consideration of $805.8 million. As a result, the Company recognized a reacquired right intangible asset for $270.0 million. The determination of the fair value of the reacquired right intangible asset required the Company to make certain assumptions regarding cash flows from projected revenues and expenses, and the discount rate used in the calculation.

We identified the assessment of the fair value measurement of the reacquired right intangible asset acquired in the Bisnode acquisition as a critical audit matter. A high degree of subjective auditor judgment was required to evaluate the projected revenues and expenses, and discount rate used to determine the fair value of the reacquired right intangible asset. Changes to these assumptions could have had a significant effect on the Company’s estimate of fair value of the reacquired right intangible asset.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls over the Company’s acquisition date valuation process, including controls over the development of the relevant assumptions listed above. We evaluated the projected revenues and expenses by (1) comparing them to historical results of the acquired entity and the Company and (2) current industry and economic trends. We performed sensitivity analyses to assess the impact that changes to the projected revenues and expenses, and discount rate would have on the fair value of the reacquired right intangible asset. We involved valuation professionals with specialized skills and knowledge, who assisted in:

- recalculating the fair value of the reacquired right intangible asset using the Company’s cash flow forecasts and an independently developed range of discount rates; and comparing it to the Company’s fair value estimate.
- evaluating the discount rate by comparing it to an independently developed range of discount rates using publicly available market data for certain comparable entities.

/s/ KPMG LLP

We have served as the Company’s auditor since 2019

New York, New York
February 24, 2022

Dun & Bradstreet Holdings, Inc.
Consolidated Statements of Operations and Comprehensive Income (Loss)
(In millions, except per share data)

	Successor			Predecessor
	Year ended December 31, 2021	Year ended December 31, 2020 (1)	Period from January 1 to December 31, 2019 (1)	Period from January 1 to February 7, 2019
Revenue	$ 2,165.6	$ 1,738.7	$ 1,439.0	$ 178.7
Cost of services (exclusive of depreciation and amortization)	664.3	548.2	463.7	56.7
Selling and administrative expenses	714.7	559.8	657.6	122.4
Depreciation and amortization	615.9	537.8	487.1	11.1
Restructuring charges	25.1	37.3	52.3	0.1
Operating costs	2,020.0	1,683.1	1,660.7	190.3
Operating income (loss)	145.6	55.6	(221.7)	(11.6)
Interest income	0.7	0.7	2.5	0.3
Interest expense	(206.4)	(271.1)	(303.5)	(5.5)
Other income (expense) - net	14.9	(11.6)	(153.5)	(86.0)
Non-operating income (expense) - net	(190.8)	(282.0)	(454.5)	(91.2)
Income (loss) before provision (benefit) for income taxes and equity in net income of affiliates	(45.2)	(226.4)	(676.2)	(102.8)
Less: provision (benefit) for income taxes	23.4	(112.4)	(118.3)	(27.5)
Equity in net income of affiliates	2.7	2.4	4.2	0.5
Net income (loss)	(65.9)	(111.6)	(553.7)	(74.8)
Less: net (income) loss attributable to the non-controlling interest	(5.8)	(4.9)	(6.4)	(0.8)
Less: Dividends allocated to preferred stockholders	—	(64.1)	(114.0)	—
Net income (loss) attributable to Dun & Bradstreet Holdings, Inc. (Successor) / The Dun & Bradstreet Corporation (Predecessor)	$ (71.7)	$ (180.6)	$ (674.1)	$ (75.6)
Basic earnings (loss) per share of common stock:				
Net income (loss) attributable to Dun & Bradstreet Holdings, Inc. (Successor) / The Dun & Bradstreet Corporation (Predecessor)	$ (0.17)	$ (0.49)	$ (2.14)	$ (2.04)
Diluted earnings (loss) per share of common stock:				
Net income (loss) attributable to Dun & Bradstreet Holdings, Inc. (Successor) / The Dun & Bradstreet Corporation (Predecessor)	$ (0.17)	$ (0.49)	$ (2.14)	$ (2.04)
Weighted average number of shares outstanding-basic	428.7	367.1	314.5	37.2
Weighted average number of shares outstanding-diluted	428.7	367.1	314.5	37.2
Other comprehensive income (loss), net of income taxes:				
Net income (loss)	$ (65.9)	$ (111.6)	$ (553.7)	$ (74.8)
Foreign currency translation adjustments, net of tax (2)	$ (76.6)	$ 28.5	$ (1.9)	$ 5.9
Defined benefit pension plans:				
Prior service credit (cost), net of tax expense (benefit) (3)	(0.2)	(0.8)	2.3	(0.1)
Net actuarial gain (loss), net of tax expense (benefit) (4)	108.6	(95.5)	(26.3)	65.5
Derivative financial instrument, net of tax expense (benefit) (5)	7.8	0.7	(1.1)	(0.1)
Total other comprehensive income (loss), net of tax	$ 39.6	$ (67.1)	$ (27.0)	$ 71.2
Comprehensive income (loss), net of tax	$ (26.3)	$ (178.7)	$ (580.7)	$ (3.6)
Less: comprehensive (income) loss attributable to the non-controlling interest	(8.0)	(8.1)	(3.6)	(1.0)
Comprehensive income (loss) attributable to Dun & Bradstreet Holdings, Inc. (Successor) / The Dun & Bradstreet Corporation (Predecessor)	$ (34.3)	$ (186.8)	$ (584.3)	$ (4.6)

(1) See Note 1 Basis of Presentation and Description of Business for further detail regarding the elimination of the International lag reporting.
(2) Tax Expense (Benefit) of $(1.6) million, $2.9 million, $1.8 million, and less than $0.1 million for the Successor year ended December 31, 2021, Successor year ended December 31, 2020, Successor period from January 1 to December 31, 2019, and for the Predecessor period from January 1 to February 7, 2019, respectively.
(3) Tax Expense (Benefit) of $0.1 million, $(0.2) million, and $0.8 million for the Successor year ended December 31, 2021, Successor year ended December 31, 2020, and for the Successor period from January 1 to December 31, 2019, respectively.
(4) Tax Expense (Benefit) of $38.9 million, $(32.2) million, $(8.1) million, and $22.2 million for the Successor year ended December 31, 2021, Successor year ended December 31, 2020, Successor period from January 1 to December 31, 2019, and for the Predecessor period from January 1 to February 7, 2019, respectively.
(5) Tax Expense (Benefit) of $2.8 million, $0.2 million, $(0.4) million, and $(0.1) million, for the Successor year ended December 31, 2021, Successor year ended December 31, 2020, Successor period from January 1 to December 31, 2019, and for the Predecessor period from January 1 to February 7, 2019, respectively.

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

Dun & Bradstreet Holdings, Inc.
Consolidated Balance Sheets
(In millions, except share data and per share data)

	December 31, 2021	December 31, 2020 (1)
Assets		
Current assets		
Cash and cash equivalents	$ 177.1	$ 352.3
Accounts receivable, net of allowance of $16.5 at December 31, 2021 and $11.4 at December 31, 2020 (Note 17)	401.7	319.3
Prepaid taxes	52.2	130.4
Other prepaids	63.9	37.9
Other current assets (Note 4 and 13)	23.1	34.5
Total current assets	718.0	874.4
Non-current assets		
Property, plant and equipment, net of accumulated depreciation of $27.5 at December 31, 2021 and $14.3 at December 31, 2020 (Note 17)	96.8	25.7
Computer software, net of accumulated amortization of $234.2 at December 31, 2021 and $125.6 at December 31, 2020 (Note 17)	557.4	437.0
Goodwill (Note 17 and 18)	3,493.3	2,857.9
Deferred income tax (Note 9)	18.5	14.1
Other intangibles (Note 17 and 18)	4,824.5	4,814.8
Deferred costs (Note 4)	116.1	83.8
Other non-current assets (Note 17)	172.6	112.6
Total non-current assets	9,279.2	8,345.9
Total assets	$ 9,997.2	$ 9,220.3
Liabilities		
Current liabilities		
Accounts payable	$ 83.5	$ 60.1
Accrued payroll	125.6	110.5
Short-term debt (Note 6)	28.1	25.3
Deferred revenue (Note 4)	569.4	477.2
Other accrued and current liabilities (Note 17)	198.3	155.0
Total current liabilities	1,004.9	828.1
Long-term pension and postretirement benefits (Note 10)	178.4	291.5
Long-term debt (Note 6)	3,716.7	3,255.8
Deferred income tax (Note 9)	1,207.2	1,106.6
Other non-current liabilities (Note 17)	144.7	154.4
Total liabilities	6,251.9	5,636.4
Commitments and contingencies (Note 8 and 20)		
Equity		
Common Stock, $0.0001 par value per share, authorized—2,000,000,000 shares; 432,070,999 shares issued and 431,197,782 shares outstanding at December 31, 2021 and 423,418,131 shares issued and 422,952,228 shares outstanding at December 31, 2020	—	—
Capital surplus	4,500.4	4,310.2
Accumulated deficit	(761.8)	(690.1)
Treasury Stock, 873,217 shares at December 31, 2021 and 465,903 shares at December 31, 2020	(0.3)	—
Accumulated other comprehensive loss	(57.1)	(94.5)
Total stockholder equity	3,681.2	3,525.6
Non-controlling interest	64.1	58.3
Total equity	3,745.3	3,583.9
Total liabilities and stockholder equity	$ 9,997.2	$ 9,220.3

(1) See discussion in Note 1 - Basis of Presentation and Description of Business for further detail regarding the elimination of the International lag reporting.

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

Dun & Bradstreet Holdings, Inc.
Consolidated Statements of Cash Flows
(In millions)

	Successor			Predecessor
	Year ended December 31, 2021	**Year ended December 31, 2020 (1)**	**Period from January 1 to December 31, 2019 (1)**	**Period from January 1 to February 7, 2019**
Cash flows provided by (used in) operating activities:				
Net income (loss)	$ (65.9)	$ (111.6)	$ (553.7)	$ (74.8)
Reconciliation of net income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization	615.9	537.8	487.1	11.1
Amortization of unrecognized pension loss (gain)	1.9	(0.5)	—	3.8
Payments for debt early redemption premiums reclassified to financing cash flows	29.5	50.1	—	—
Amortization and write off of deferred debt issuance costs	31.2	45.0	23.2	3.3
Pension settlement charge	—	0.6	—	85.8
Pension settlement payments	—	—	(105.9)	(190.5)
Income tax benefit from stock-based awards	—	—	—	10.3
Equity-based compensation expense	33.3	45.1	68.0	11.7
Restructuring charge	25.1	37.3	52.3	0.1
Restructuring payments	(20.6)	(16.5)	(39.8)	(2.1)
Change in fair value of make-whole derivative liability	—	32.8	172.4	—
Changes in deferred income taxes	(77.4)	(99.6)	(137.7)	(33.2)
Changes in prepaid and accrued income taxes	5.1	(129.7)	(15.1)	(8.1)
Changes in operating assets and liabilities: (2)				
(Increase) decrease in accounts receivable	(13.7)	(45.1)	(16.5)	16.3
(Increase) decrease in prepaid taxes, other prepaids and other current assets	63.2	(28.9)	6.0	(1.2)
Increase (decrease) in deferred revenue	16.5	8.1	68.7	20.8
Increase (decrease) in accounts payable	(0.1)	9.1	(25.1)	37.8
Increase (decrease) in accrued liabilities	(2.3)	(20.3)	(22.8)	(39.7)
Increase (decrease) in other accrued and current liabilities	(24.3)	(18.1)	42.5	25.1
(Increase) decrease in other long-term assets	(34.2)	(49.7)	(40.4)	(96.0)
Increase (decrease) in long-term liabilities	(84.4)	(39.2)	(47.5)	154.6
Net, other non-cash adjustments (3)	4.9	(1.2)	13.8	(0.5)
Net cash provided by (used in) operating activities	503.7	205.5	(70.5)	(65.4)
Cash flows provided by (used in) investing activities:				
Acquisitions of businesses, net of cash acquired	(844.8)	(20.6)	(6,078.0)	—
Cash settlements of foreign currency contracts	22.3	7.7	(9.4)	—
Payments for real estate purchase	(76.6)	—	—	—
Capital expenditures	(9.7)	(7.8)	(12.4)	(0.2)
Additions to computer software and other intangibles	(170.7)	(115.2)	(57.4)	(5.1)
Other investing activities, net	0.8	2.1	0.5	—
Net cash provided by (used in) investing activities	(1,078.7)	(133.8)	(6,156.7)	(5.3)
Cash flows provided by (used in) financing activities:				
Proceeds from issuance of common stock in the IPO transaction and Private Placement, net (4)	—	2,248.2	—	—
Proceeds from investors	—	—	3,176.8	—
Payment for the redemption of Cumulative Series A Preferred Stock	—	(1,067.9)	—	—
Payment for make-whole liability	—	(205.2)	—	—
Payment for debt early redemption premiums	(29.5)	(50.1)	—	—
Payments of dividends	—	(64.1)	(96.1)	—
Proceeds from borrowings on Credit Facility	314.1	407.2	228.3	167.0
Proceeds from issuance of Successor's Senior Notes	460.0	—	1,450.0	—
Proceeds from borrowings on Successor's Term Loan Facility - net of issuance discount	300.0	—	2,479.4	—
Retirement of Predecessor's Senior Notes	—	—	(625.1)	—
Payments of borrowings on Credit Facility	(154.1)	(407.2)	(228.3)	(70.0)
Payments of borrowing on Term Loan Facility	(28.1)	(19.0)	—	—
Payments of borrowings on Successor’s Senior Notes	(450.0)	(580.0)	—	—
Payments of borrowings on Bridge Loan	—	(63.0)	63.0	—
Payment of debt issuance costs	(9.5)	(2.5)	(122.6)	—
Other financing activities, net	(2.8)	(7.8)	(3.7)	(0.1)
Net cash provided by (used in) financing activities	400.1	188.6	6,321.7	96.9
Effect of exchange rate changes on cash and cash equivalents	(0.3)	7.6	(10.1)	1.2
Increase (decrease) in cash and cash equivalents	(175.2)	267.9	84.4	27.4
Cash and Cash Equivalents, Beginning of Period	352.3	84.4	—	90.2
Cash and Cash Equivalents, End of Period	$ 177.1	$ 352.3	$ 84.4	$ 117.6

Dun & Bradstreet Holdings, Inc.
Consolidated Statements of Cash Flows - (continued)

Supplemental Disclosure of Cash Flow Information:				
Cash Paid for:				
Income taxes payment (refund), net	$ 12.7	$ 116.9	$ 34.3	$ 3.4
Interest	$ 191.8	$ 249.0	$ 237.8	$ 2.4
Noncash Investing and Financing activities:				
Fair value of acquired assets	$ 1,447.4	$ 21.6	$ 9,524.1	$ —
Cash paid for acquired businesses	(882.1)	(21.2)	(5,558.2)	—
Unpaid purchase price accrued in "Other accrued and current liabilities"	(6.9)	—	—	—
6,237,087 shares of common stock issued for the acquisition	(158.9)	—	—	—
Assumed liabilities from acquired businesses including non-controlling interest	$ 399.5	$ 0.4	$ 3,965.9	$ —
Noncash additions to computer software	$ 7.9	$ —	$ —	$ —
Noncash additions to property, plant and equipment	$ 1.7	$ 2.0	$ —	$ —

(1) See Note 1 Basis of Presentation and Description of Business for further detail regarding the elimination of the International lag reporting.

(2) Net of the effect of acquisitions, see further details in Note 16.

(3) Other noncash adjustments for the period from January 1, 2019 to December 31, 2019 (Successor) are primarily related to non-cash foreign exchange adjustments.

(4) Net of IPO offering costs of $132.8 million of which $131.9 million was paid by proceeds raised from the offering (see Note 1) and $0.9 million was paid prior to the IPO and Private Placement.

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

Dun & Bradstreet Holdings, Inc.
Consolidated Statements of Stockholder Equity (Deficit)
(In millions)

	Common stock	Capital surplus	(Accumulated deficit) retained earnings	Treasury stock	Cumulative translation adjustment	Defined benefit postretirement plans	Cash flow hedging derivative	Total stockholder equity (deficit)	Non-controlling interest	Total equity (deficit)
Predecessor:										
For the Period from January 1, 2019 to February 7, 2019 (1)										
Balance, December 31, 2018	$ 0.8	$ 332.8	$ 3,325.0	$ (3,310.3)	$ (235.5)	$ (818.3)	$ (0.3)	$ (705.8)	$ 15.9	$ (689.9)
Net income (loss)	—	—	(75.6)	—	—	—	—	(75.6)	0.8	(74.8)
Payment to non-controlling interest	—	—	—	—	—	—	—	—	(0.1)	(0.1)
Equity-based compensation plans	—	11.7	—	—	—	—	—	11.7	—	11.7
Pension adjustments, net of tax expense of $22.2	—	—	—	—	—	65.4	—	65.4	—	65.4
Change in cumulative translation adjustment, net of tax expense of less than $0.1	—	—	—	—	5.7	—	—	5.7	0.2	5.9
Derivative financial instruments, net of tax benefit of $0.1	—	—	—	—	—	—	(0.1)	(0.1)	—	(0.1)
Balance, February 7, 2019	$ 0.8	$ 344.5	$ 3,249.4	$ (3,310.3)	$ (229.8)	$ (752.9)	$ (0.4)	$ (698.7)	$ 16.8	$ (681.9)

	Common stock	Capital surplus	(Accumulated deficit) retained earnings	Treasury stock	Cumulative translation adjustment	Defined benefit postretirement plans	Cash flow hedging derivative	Total stockholder equity (deficit)	Non-controlling interest	Total equity (deficit)
Successor:										
For the period from January 1, 2019 to December 31, 2019 (1)										
Balance, January 1, 2019	$ —	$ —	$ (13.5)	$ —	$ —	$ —	$ —	$ (13.5)	$ —	$ (13.5)
Net income (loss)	—	—	(560.1)	—	—	—	—	(560.1)	6.4	(553.7)
Take-Private Transaction		2,048.4						2,048.4	60.3	2,108.7
Capital contribution		100.0						100.0		100.0
Equity-based compensation plans	—	68.0	—	—	—	—	—	68.0	—	68.0
Preferred dividend	—	(96.1)	—	—	—	—	—	(96.1)	—	(96.1)
Accretion - Series A Preferred Stock	—	(3.4)	—	—	—	—	—	(3.4)	—	(3.4)
Payment to non-controlling interest	—	—	—	—	—	—	—	—	(5.7)	(5.7)
Pension adjustments, net of tax benefit of $7.3	—	—	—	—	—	(24.0)	—	(24.0)		(24.0)
Change in cumulative translation adjustment, net of tax expense of $1.8	—	—	—	—	0.9	—	—	0.9	(2.8)	(1.9)
Derivative financial instruments, net of tax benefit of $0.4	—	—	—	—	—	—	(1.1)	(1.1)	—	(1.1)
Balance, December 31, 2019	$ —	$ 2,116.9	$ (573.6)	$ —	$ 0.9	$ (24.0)	$ (1.1)	$ 1,519.1	$ 58.2	$ 1,577.3

	Common stock	Capital surplus	(Accumulated deficit) retained earnings	Treasury stock	Cumulative translation adjustment	Defined benefit postretirement plans	Cash flow hedging derivative	Total stockholder equity (deficit)	Non-controlling interest	Total equity (deficit)
Year ended December 31, 2020 (1)										
Balance, January 1, 2020	$ —	$ 2,116.9	$ (573.6)	$ —	$ 0.9	$ (24.0)	$ (1.1)	$ 1,519.1	$ 58.2	$ 1,577.3
Net income (loss)	—	—	(116.5)	—	—	—	—	(116.5)	4.9	(111.6)
Accretion - Series A Preferred Stock (2)	—	(36.1)	—	—	—	—	—	(36.1)	—	(36.1)
Issuance of Class A Common Stock in IPO and Private Placement, net of issuance costs	—	2,248.2	—	—	—	—	—	2,248.2	—	2,248.2
Equity-based compensation plans (3)	—	45.3	—	—	—	—	—	45.3	—	45.3
Pension adjustments, net of tax benefit of $32.4	—	—	—	—	—	(96.3)	—	(96.3)	—	(96.3)
Change in cumulative translation adjustment, net of tax expense of $2.9	—	—	—	—	25.3	—	—	25.3	3.2	28.5
Derivative financial instruments, net of tax expense of $0.2	—	—	—	—	—	—	0.7	0.7	—	0.7
Preferred dividend	—	(64.1)	—	—	—	—	—	(64.1)	—	(64.1)
Payment to non-controlling interest	—	—	—	—	—	—	—	—	(8.0)	(8.0)
Balance, December 31, 2020	$ —	$ 4,310.2	$ (690.1)	$ —	$ 26.2	$ (120.3)	$ (0.4)	$ 3,525.6	$ 58.3	$ 3,583.9
Year ended December 31, 2021										
Balance, January 1, 2021	$ —	$ 4,310.2	$ (690.1)	$ —	$ 26.2	$ (120.3)	$ (0.4)	$ 3,525.6	$ 58.3	$ 3,583.9
Net income (loss)	—	—	(71.7)	—	—	—	—	(71.7)	5.8	(65.9)
Shares issued for Bisnode acquisition	—	158.9	—	—	—	—	—	158.9	—	158.9
Equity-based compensation plans	—	31.3	—	(0.3)	—	—	—	31.0	—	31.0
Pension adjustments, net of tax expense of $39.0	—	—	—	—	—	108.4	—	108.4	—	108.4
Change in cumulative translation adjustment, net of tax benefit of $1.6	—	—	—	—	(78.8)	—	—	(78.8)	2.2	(76.6)
Derivative financial instruments, net of tax expense of $2.8	—	—	—	—	—	—	7.8	7.8	—	7.8
Payment to non-controlling interest	—	—	—	—	—	—	—	—	(2.2)	(2.2)
Balance December 31, 2021	$ —	$ 4,500.4	$ (761.8)	$ (0.3)	$ (52.6)	$ (11.9)	$ 7.4	$ 3,681.2	$ 64.1	$ 3,745.3

(1) See Note 1 Basis of Presentation and Description of Business for further detail regarding the elimination of the International lag reporting.

(2) Related to Series A Preferred Stock which was fully redeemed in July 2020.

(3) Includes $0.2 million related to the conversion of pre-IPO liability classified equity-based awards into restricted stock units.

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

DUN & BRADSTREET HOLDINGS, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Tabular dollar amounts, except share data and per share data, in millions)

Note 1 -- Basis of Presentation and Description of Business

The accompanying financial statements of Dun & Bradstreet Holdings, Inc. (formerly Star Intermediate I, Inc.) and its subsidiaries ("we" or "us" or "our" or the "Company") were prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP"). The preparation of financial statements and related disclosures requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period reported. As discussed throughout this Note 1, we base our estimates on historical experience, current conditions and various other factors that we believe to be reasonable under the circumstances. Significant items subject to such estimates and assumptions include: valuation allowances for receivables and deferred income tax assets; tax liabilities related to our undistributed foreign earnings associated with the 2017 Tax Cuts and Jobs Act ("2017 Act"); liabilities for potential tax exposure and potential litigation claims and settlements; assets and obligations related to employee benefits; allocation of the purchase price in acquisition accounting; impairment assessment for goodwill and other intangible assets; long-term asset recoverability and estimated useful life; stock-based compensation; revenue deferrals; and restructuring charges. We review estimates and assumptions periodically and reflect the changes in the consolidated financial statements in the period in which we determine any changes to be necessary. Actual results could differ materially from those estimates under different assumptions or conditions.

Our consolidated financial statements presented herein reflect the latest estimates and assumptions made by management that affect the reported amounts of assets and liabilities and related disclosures as of the date of the consolidated financial statements and reported amounts of revenue and expenses during the reporting periods presented. Since early 2020, the novel coronavirus ("COVID-19") global pandemic has caused disruptions and continues to cause disruptions in the economy and volatility in the global financial markets. There is considerable uncertainty regarding its duration and the speed and nature of recovery. The extent of the impact of the COVID-19 global pandemic on our operations and financial performance will depend on among many factors, the duration of the pandemic, the timing and availability of vaccines and treatments and the government mandates or guidance regarding COVID-19 restriction and its effects on our clients and vendors, which continue to be uncertain at this time and cannot be predicted. In addition, the pandemic may affect management's estimates and assumptions of variable consideration in contracts with clients as well as other estimates and assumptions, in particular those that require a projection of our financial results, our cash flows or broader economic conditions.

The consolidated financial statements include our accounts, as well as those of our subsidiaries and investments in which we have a controlling interest. Investments in companies over which we have significant influence but not a controlling interest are recorded under the equity method of accounting. When events and circumstances warrant, equity investments accounted for under the equity method of accounting are evaluated for impairment. An impairment charge is recorded whenever a decline in value of an equity investment below its carrying amount is determined to be other-than temporary. We elect to account for investments over which we do not have significant influence at cost adjusted for impairment or other changes resulting from observable market data. Market values associated with these investments are not readily available. Our cost investments were not material as of December 31, 2021 and 2020.

Description of Business

Dun & Bradstreet Holdings, Inc. through its operating company The Dun & Bradstreet Corporation ("Dun & Bradstreet" or "D&B") helps companies around the world improve their business performance. A global leader in business to business data and analytics, we glean insight from data to enable our clients to connect with the prospects, suppliers, clients and partners that matter most. Since 1841, companies of every size rely on Dun & Bradstreet to help them manage risk and reveal opportunity. We transform data into valuable business insights which are the foundation of our global solutions that clients rely on to make mission critical business decisions.

Dun & Bradstreet provides solution sets that meet a diverse set of clients' needs globally. Clients use Finance & Risk solutions to mitigate credit, compliance and supplier risk, increase cash flow and drive increased profitability. Our Sales & Marketing solutions help clients better use data to grow sales, digitally engage with clients and prospects, improve marketing effectiveness and also offer data management capabilities that provide effective and cost efficient marketing solutions to increase revenue from new and existing clients.

The Take-Private Transaction

On August 8, 2018, a consortium of investors formed a Delaware limited partnership, Star Parent, L.P. ("Parent") and Star Merger Sub, Inc. ("Merger Sub"), and subsequently formed subsidiaries including Dun & Bradstreet Holdings, Inc., Star Intermediate II, LLC and Star Intermediate III, LLC. Also on August 8, 2018, Dun & Bradstreet entered into an Agreement and Plan of Merger (the "Merger Agreement") with Parent and Merger Sub. On February 8, 2019, pursuant to the terms of the Merger Agreement, Merger Sub merged with and into Dun & Bradstreet with Dun & Bradstreet continuing as the surviving corporation. The transaction is referred to as the "Take-Private Transaction." See further discussion on Note 15.

The completion of the Take-Private Transaction resulted in the following:

- Parent issued 206,787.3617 Class A units for $2,048.4 million, net of equity syndication fee of $19.5 million, which was contributed to Dun & Bradstreet Holdings, Inc. In addition, Parent issued 6,817.7428 units of Class B and 32,987.0078 units of Class C profits interest.

- Dun & Bradstreet Holdings, Inc. issued 314,494,968 shares of common stock to Parent and 1,050,000 shares of Series A Preferred Stock for $1,028.4 million, net of issuance discount of $21.6 million.

- Merger Sub entered into a credit facility agreement and issued debt on February 8, 2019. See Note 6 for further discussion.

- The Company used the proceeds from the issuances of common and preferred shares and the debt financing to (i) finance and consummate the Take-Private Transaction and other transactions, including to fund nonqualified pension and deferred compensation plan obligations (ii) repay in full all outstanding indebtedness under Dun & Bradstreet's then-existing senior secured credit facilities, (iii) fund the redemption and discharge of all of Dun & Bradstreet's then-existing senior notes and (iv) pay related fees, costs, premiums and expenses in connection with these transactions.

- Merger Sub merged with and into D&B with D&B continuing as the surviving corporation.

As a result of the Take-Private Transaction on February 8, 2019, the merger was accounted for in accordance with ASC 805, "Business Combinations" ("ASC 805"), and Dun & Bradstreet Holdings, Inc. was determined to be the accounting acquirer. The accompanying consolidated financial statements and information are presented on a Successor and Predecessor basis. References to Predecessor refer to the results of operations, cash flows and financial position of The Dun & Bradstreet Corporation and its subsidiaries prior to the closing of the Take-Private Transaction. References to Successor refer to the consolidated financial position of Dun & Bradstreet Holdings, Inc. and its subsidiaries as of December 31, 2021 and December 31, 2020, and the results of operations and cash flows of Dun & Bradstreet Holdings, Inc. and its subsidiaries for the years ended December 31, 2021 and December 31, 2020 and the period from January 1, 2019 to December 31, 2019. During the period from January 1, 2019 to February 7, 2019, Dun & Bradstreet Holdings, Inc. had no significant operations and limited assets and had only incurred transaction related expenses prior to the Take-Private Transaction. The Successor periods include the consolidated results of operations, cash flows and financial position of Dun & Bradstreet and its subsidiaries on and after February 8, 2019. The Predecessor and Successor consolidated financial information presented herein is not comparable primarily due to the impacts of the Take-Private Transaction including the application of acquisition accounting in the Successor financial statements as of February 8, 2019, as further described in Note 15, of which the most significant impacts are (i) the increased amortization expense for intangible assets; (ii) additional interest expense associated with debt financing arrangements entered into in connection with the Take-Private Transaction; (iii) higher non-recurring transaction costs and the pension settlement charge attributable to the Take-Private Transaction; and (iv) a shorter Successor period for our International operations.

(Tabular dollar amounts, except share data and per share data, in millions)

Initial Public Offering ("IPO") and Private Placement

On July 6, 2020, we completed an IPO of 90,047,612 shares of our common stock, par value $0.0001 per share at a public offering price of $22.00 per share. Immediately subsequent to the closing of the IPO, a subsidiary of Cannae Holdings, a subsidiary of Black Knight and affiliates of CC Capital purchased a total of 18,458,700 shares of common stock from us in a private placement at a price per share equal to 98.5% of the IPO price, or $21.67 per share, for proceeds of $200.0 million, $100.0 million and $100.0 million, respectively. A total of 108,506,312 shares of common stock were issued in the IPO and concurrent private placement for gross proceeds of $2,381.0 million. The use of the proceeds from the IPO and concurrent private placement was as follows:

Gross proceeds	$	2,381.0
Less:		
Underwriter fees		89.1
IPO related expenses (a)		42.8
Redemption of Series A Preferred Stock		1,067.9
Make-whole payment on redemption of Series A Preferred Stock		205.2
Partial redemption of 10.250% Senior Unsecured Notes and accrued interest		312.0
Call premium on partial redemption of 10.250% Senior Unsecured Notes		30.8
Partial redemption of 6.875% Senior Secured Notes and accrued interest		282.2
Call premium on partial redemption of 6.875% Senior Secured Notes		19.3
Cash to balance sheet	$	331.7

(a) Includes payment of $30.0 million to the Originating Sponsors (see Note 19), in connection with the waiver and termination of anti-dilution rights in the Star Parent Partnership Agreement. Also in connection with the IPO transaction, we paid fees of $2.5 million each to Thomas H. Lee Partners, L.P. ("THL") Managers and entities affiliated with William P. Foley II and Chinh E. Chu (Bilcar, LLC and CC Star Holdings, LP, respectively) for services provided.

In connection with the IPO, the following transactions occurred:

- On June 23, 2020, we increased our authorized common stock to 2,000,000,000 and our authorized preferred stock to 25,000,000 and effected a 314,494.968 for 1 stock split of our common stock. All of the common share and per share information in the consolidated financial statements for the Successor periods have been retroactively adjusted to reflect the increase in authorized common stock and stock split.

- All outstanding equity incentive awards in the form of profits interests were converted into common units of Star Parent, L.P. which retain the original time-based vesting schedule and are subject to the same forfeiture terms applicable to such unvested units.

- In connection with the IPO, we adopted the Dun & Bradstreet 2020 Omnibus Incentive Plan (the "2020 Omnibus Incentive Plan"). See further discussion in Note 11.

Preferred Stock

In connection with the Privatization Transaction on February 8, 2019, Dun & Bradstreet Holdings, Inc. issued 1,050,000 shares of Cumulative Series A Preferred Stock ("Series A Preferred Stock") for $1,028.4 million, net of issuance discount of $21.6 million. The Series A Preferred Stock was redeemable upon the occurrence of a material event including a qualified IPO at an applicable price depending on when the redemption event occurred. The Company classified the Series A Preferred Stock as mezzanine equity because the instrument contained a redemption feature which was contingent upon certain events, the occurrence of which was not solely within the control of the Company.

Upon the closing of the IPO on July 6, 2020 (see above discussion), we redeemed all of the outstanding Series A Preferred Stock. In addition, we made the total make-whole payment of $205.2 million.

Prior to the redemption of the preferred stocks, we bifurcated embedded derivatives and assessed fair value each reporting date. Beginning in November 2019, we determined that there was a more than remote likelihood that the Series A Preferred Stock would become redeemable before November 8, 2021. As a result we determined the fair value of the make-whole provision to be $172.4 million at December 31, 2019, which was included within "Other income (expense) - net" in the statement of operations and comprehensive income (loss) for the period from January 1, 2019 to December 31, 2019 (Successor) and reflected as "Make-whole derivative liability" within the consolidated balance sheet as of December 31, 2019. For the year ended December 31, 2020 up to redemption, we recorded a loss of $32.8 million within "Other income (expense) - net," related to the change of fair value during the period. The fair value was estimated using the with and without method and based on management’s estimate of probability of the triggering event associated with the make-whole derivative liability.

The Series A Preferred Stock was fully accreted to the redeemable balance of $1,067.9 million using the interest method upon the redemption. We recorded accretion of $36.1 million and $3.4 million to the mezzanine equity using interest method for the year ended December 31, 2020 (Successor) and for the period from January 1, 2019 to December 31, 2019 (Successor), respectively.

On May 14, 2020, March 4, 2020, December 16, 2019, July 30, 2019 and May 31, 2019, the board of directors of Dun & Bradstreet Holdings, Inc. declared a cash dividend of $30.51 per share to all holders of shares of Series A Preferred Stock. An aggregate amount of $32.1 million, $32.0 million, $32.0 million, $32.1 million, $10.7 million and $21.3 million was paid on June 26, 2020, March 27, 2020, December 27, 2019, September 27, 2019, June 28, 2019 and on June 19, 2019, respectively.

Reporting Segments

We manage our business and report our financial results through the following two segments:

- North America offers Finance & Risk and Sales & Marketing data, analytics and business insights in the United States and Canada; and
- International offers Finance & Risk and Sales & Marketing data, analytics and business insights directly in the United Kingdom and Ireland ("U.K."), Nordics (Sweden, Norway, Denmark and Finland), DACH (Germany, Austria and Switzerland) and CEE (Central and Eastern Europe) countries ("Europe"), Greater China, India and indirectly through our Worldwide Network alliances ("WWN alliances").

All intercompany transactions and balances have been eliminated in consolidation.

Elimination of International Lag Reporting

Historically our consolidated financial statements which have a year-end of December 31, reflected results of subsidiaries outside of North America on a one-month lag with a year-end of November 30. Effective January 1, 2021, we eliminated the one-month reporting lag for our subsidiaries outside of North America and aligned the year-end for all subsidiaries to December 31. The elimination of this reporting lag represented a change in accounting principle, which the Company believes to be preferable as it provides investors with the most current information. This change in accounting policy was applied retrospectively to all periods since February 8, 2019 ("Successor periods") after the Take-Private Transaction. The Consolidated Balance Sheet as of December 31, 2020, the Consolidated Statement of Operations and Comprehensive Income (Loss), the Consolidated Statements of Cash Flows and the Consolidated Statements of Stockholder Equity (Deficit) for the year ended December 31, 2020 and the period from January 1, 2019 to December 31, 2019 (Successor) have been recast to reflect this change in accounting policy. The following table presents a summary of the changes to the results for the year ended December 31, 2020 and period from January 1, 2019 to December 31, 2019 (Successor):

(Tabular dollar amounts, except share data and per share data, in millions)

	Revenue	Operating income (loss)	Income (loss) before provision (benefit) for income taxes and equity in net income of affiliates	Provision (benefit) for income taxes	Net income (loss) attributable to Dun & Bradstreet Holdings, Inc.	Basic earnings (loss) per share of common stock attributable to Dun & Bradstreet Holdings, Inc.	Diluted earnings (loss) per share of common stock attributable to Dun & Bradstreet Holdings, Inc.
Year ended December 31, 2020							
As Reported	$ 1,738.1	$ 63.0	$ (219.3)	$ (110.5)	$ (175.6)	$ (0.48)	$ (0.48)
Increase (Decrease)	0.6	(7.4)	(7.1)	(1.9)	(5.0)	(0.01)	(0.01)
As Revised	$ 1,738.7	$ 55.6	$ (226.4)	$ (112.4)	$ (180.6)	$ (0.49)	$ (0.49)
Period from January 1, 2019 to December 31, 2019							
As Reported	$ 1,413.9	$ (220.0)	$ (675.9)	$ (118.2)	$ (674.0)	$ (2.14)	$ (2.14)
Increase (Decrease)	25.1	(1.7)	(0.3)	(0.1)	(0.1)	—	—
As Revised	$ 1,439.0	$ (221.7)	$ (676.2)	$ (118.3)	$ (674.1)	$ (2.14)	$ (2.14)

The following table presents a summary of the changes to the assets, liabilities and equity:

	As Reported	Increase (Decrease)	As Revised
Total Assets as of December 31, 2020	$ 9,219.4	$ 0.9	$ 9,220.3
Total Liabilities as of December 31, 2020	$ 5,641.7	$ (5.3)	$ 5,636.4
Total Equity as of January 1, 2020	$ 1,577.7	$ (0.4)	$ 1,577.3
Total Equity as of December 31, 2020	$ 3,577.7	$ 6.2	$ 3,583.9

The following table presents a summary of the changes to the results of statement of cash flows for the year ended December 31, 2020 and period from January 1, 2019 to December 31, 2019:

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities
Year ended December 31, 2020:			
As Reported	$ 195.6	$ (134.3)	$ 189.3
Increase (Decrease)	9.9	0.5	(0.7)
As Revised	$ 205.5	$ (133.8)	$ 188.6
Period from January 1, 2019 to December 31, 2019:			
As Reported	$ (63.0)	$ (6,154.6)	$ 6,321.8
Increase (Decrease)	(7.5)	(2.1)	(0.1)
As Revised	$ (70.5)	$ (6,156.7)	$ 6,321.7

Where appropriate, we have reclassified certain prior year amounts to conform to the current year presentation.

Note 2 - Significant Accounting Policies

Revenue Recognition

Revenue is recognized when promised goods or services are transferred to clients in an amount that reflects the consideration to which we expect to be entitled in exchange for those goods or services by following a five-step process, (1) identify the contract with a client, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price, and (5) recognize revenue when or as we satisfy a performance obligation.

We generate revenue from licensing our data and providing related data services to our clients. Our data is integrated into our hosted or on-premise software applications. Data is also delivered directly into client third-party applications (or our on-premise applications) using our application programming interfaces ("API") or as computer files. Some of our data and reports can be purchased through our websites individually or in packages.

Most of our revenue comes from clients we contract with directly. We also license data, trademarks and related technology and support services to our Worldwide Network partners for exclusive distribution of our products to clients in their territories. We also license our data to our alliance partners who use the data to enhance their own products or enable it to be seamlessly delivered to their customers.

Revenue is net of any sales or indirect taxes collected from clients, which are subsequently remitted to government authorities.

Performance Obligations and Revenue Recognition

All our clients license our data and/or software applications. The license term is generally a minimum of 12 months and non-cancelable. If the client can benefit from the license only in conjunction with a related service, the license is not distinct and is combined with the other services as a single performance obligation.

We recognize revenue when (or as) we satisfy a performance obligation by transferring promised licenses and or services underlying the performance obligation to the client. Some of our performance obligations are satisfied over time as the product is transferred to the client. Performance obligations which are not satisfied over time are satisfied at a point in time.

Determining whether the products and services in a contract are distinct and identifying the performance obligations requires judgment. When we assess contracts with clients we determine if the data we promise to transfer to the client is individually distinct or is combined with other licenses or services which together form a distinct product or service and a performance obligation. We also consider if we promise to transfer a specific quantity of data or provide unlimited access to data.

We determined that when clients can purchase a specified quantity of data based on their selection criteria and data layout, each data record is distinct and a performance obligation, satisfied on delivery. If we promise to update the initial data set at specified intervals, each update is a performance obligation, which we satisfy when the update data is delivered.

When we provide clients continuous access to the latest data using our API-based and online products, the client can consume and benefit from this content daily as we provide access to the data. We determined that for this type of offering our overall promise is a service of daily access to data which represents a single performance obligation satisfied over time. We recognize revenue ratably for this type of performance obligation.

Clients can purchase unlimited access to data in many of our products for the non-cancelable contract term. These contracts are priced based on their anticipated usage volume of the product and we have the right to increase the transaction price in the following contract year if usage in the current contract year exceeds certain prescribed limits. The limits are set at a level that the client is unlikely to exceed so in general, we fully constrain any variable consideration until it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty is resolved. For these contracts the performance obligation is satisfied over time as we provide continuous access to the data. We recognize revenue ratably over the contract term.

For products sold under our annual and monthly discount plans the client receives a discount based on the amount they commit to spend annually, or the actual amount spent at the end of each monthly billing cycle. Each report or data packet purchased is a separate performance obligation which is satisfied when the report or data packet is delivered. The client can also purchase a monitoring service on the report or data packet which is a performance obligation satisfied over time because the client benefits from the service as we monitor the data and provide alerts when the data changes. We recognize revenue ratably over the monitoring period.

In some contracts, including annual discount plans, the client commits to spend a fixed amount on the products. Breakage occurs if the client does not exercise all their purchasing rights under the contract. We recognize breakage at the end of the contract when the likelihood of the client exercising their remaining rights becomes remote.

Many of our contracts provide the client an option to purchase additional products. If the option provides the client a discount which is incremental to discounts typically given for those products, the contract provides the client a material right that it would not receive without entering into the contract. An amount of the transaction price is allocated to the material right performance obligation and is recognized when the client exercises the option or when the option expires.

We have long-term contracts with our Worldwide Network partners. These contracts are typically for an initial term of up to 10 years and automatically renew for further terms unless notice is given before the end of the initial or renewal term. We grant each partner the exclusive right to sell our products in the countries that constitute their territory. We provide them access to data, use of our brand and technology and other services and support necessary for them to sell our products and services in their territory. We determined this arrangement is a series of distinct services and represents a single performance obligation satisfied over time. These contracts contain multiple streams of consideration, some of which are fixed and some are variable. These variable amounts are allocated to the specific service period during which the sales or usage occurred if the variable amount is commensurate with the benefit to the client of the additional service and is consistent with our customary pricing practices. Otherwise the variable amount is accounted for as a change in the transaction price for the contract. We recognize revenue ratably for this performance obligation.

We license our data to our alliance partners. Most contracts specify the number of licensed records or data sets to be delivered. If the licenses are distinct, we satisfy them on delivery of the data. Contract consideration is often a sales or usage-based royalty, sometimes accompanied by a guaranteed minimum amount. Any fixed consideration is allocated to each performance obligation based on the standalone selling price of the data. We apply the variable consideration exception for license revenue in the form of royalties when the license is the sole or predominant item to which the royalty relates. Royalty revenue is recognized when the later of the following events have occurred: (1) the subsequent sale or usage occurs or (2) the performance obligation to which some or all the royalty has been allocated has been satisfied (or partially satisfied).

Contracts with Multiple Performance Obligations

Our contracts with clients often include promises to transfer multiple performance obligations. For these contracts we allocate the transaction price to each performance obligation in the contract on a relative standalone selling price basis. The standalone selling price is the price at which we would sell the promised service separately to a client. We use the observable price based on prices in contracts with similar clients in similar circumstances. When the standalone selling price is not directly observable from actual standalone sales, we estimate a standalone selling price making maximum use of any observable data and estimates of what a client in the market would be willing to pay for those goods or services.

We allocate variable consideration to a performance obligation or a distinct product if the terms of the variable payment relate specifically to our efforts to satisfy the performance obligation or transfer the distinct product and the allocation is consistent with the allocation objective. If these conditions are not met or the transaction price changes for other reasons after contract inception, we allocate the change on the same basis as at contract inception.

Contract Combinations and Modifications

Many of our clients have multiple contracts for various products. Contracts entered into at or near the same time with the same client are combined into a single contract when they are negotiated together with a single commercial objective or the contracts are related in other ways.

Contract modifications are accounted for as a separate contract if additional products are distinct and the transaction price increases by an amount that reflects the standalone selling prices of the additional products. Otherwise, we generally account for the modifications as if they were the termination of the existing contracts and creation of new contracts if the remaining products are distinct from the products transferred before the modification. The new transaction price is the unrecognized revenue from the existing contracts plus the new consideration. This amount is allocated to the remaining performance obligations based on the relative standalone selling prices.

Restructuring Charges

Restructuring charges have been recorded in accordance with Accounting Standards Codification ("ASC") 712-10, "Nonretirement Postemployment Benefits," or "ASC 712-10," and/or ASC 420-10, "Exit or Disposal Cost Obligations," or "ASC 420-10," as appropriate.

Effective January 1, 2019, we adopted ASU No. 2016-02, "Leases (Topic 842)," and as a result, terminated contracts that meet the lease definition are no longer accounted for under ASC 420-10. Terminated lease obligations or lease obligations for facilities we no longer occupy are accounted for in accordance with Topic 842. Certain termination costs and obligations that do not meet the lease criteria continue to be accounted for in accordance with ASC 420-10. Right of use assets are assessed for impairment in accordance to Topic 360. Right of use asset impairment charges and lease costs related to facilities we ceased to occupy are reflected in "Restructuring charges."

We record severance costs provided under an ongoing benefit arrangement once they are both probable and estimable in accordance with the provisions of ASC 712-10.

We account for one-time termination benefits and contract terminations in accordance with ASC 420-10, which addresses financial accounting and reporting for costs associated with restructuring activities. Under ASC 420-10, we establish a liability for a cost associated with an exit or disposal activity, including severance and other lease costs, when the liability is incurred, rather than at the date that we commit to an exit plan. We reassess the expected cost to complete the exit or disposal activities at the end of each reporting period and adjust our remaining estimated liabilities, if necessary.

The determination of when we accrue for severance costs and which standard applies depends on whether the termination benefits are provided under an ongoing arrangement as described in ASC 712-10 or under a one-time benefit arrangement as defined by ASC 420-10. Inherent in the estimation of the costs related to the restructuring activities are assessments related to the most likely expected outcome of the significant actions to accomplish the exit activities. In determining the charges related to the restructuring activities, we have to make estimates related to the expenses associated with the restructuring activities. These estimates may vary significantly from actual costs depending, in part, upon factors that may be beyond our control. We will continue to review the status of our restructuring obligations on a quarterly basis and, if appropriate, record changes to these obligations in current operations based on management’s most current estimates.

Leases

In accordance with Topic 842, at the inception of a contract, we assess whether the contract is, or contains, a lease. A contract contains a lease if it conveys to us the right to control the use of property, plant and equipment (an identified asset). We control the identified asset if we have a right to substantially all the economic benefits from use of the asset and the right to direct its use for a period of time.

Most of our leases expire over the next eight years, with the majority expiring within two years. Leases may include options to early terminate the lease or renew at the end of the initial term. Generally, these lease terms do not affect the term of the lease because we are not reasonably certain that we will exercise our option.

We use the incremental borrowing rate to determine the present value of the lease payments because the implicit rate is generally not available to a lessee. We determine the incremental borrowing rate using an applicable reference rate (LIBOR or LIBOR equivalent or local currency swap rates) considering both currency and lease term, combined with our estimated borrowing spread for secured borrowings.

We recognize operating lease expense on a straight-line basis over the term of the lease. Lease payments may be fixed or variable. Only lease payments that are fixed, in-substance fixed or depend on a rate or index are included in determining the lease liability. Variable lease payments include payments made to the lessor for taxes, insurance and maintenance of the leased asset and are recognized as operating costs as incurred.

We apply certain practical expedients allowed by Topic 842. Lease payments for leases with an initial term of 12 months or less are not included in right of use assets or operating lease liabilities. Instead they are recognized as short term lease operating costs on a straight-line basis over the term. We have also elected not to separate lease and non-lease components for our office leases. We separate the lease components from the non-lease components using the relative standalone selling prices of each component for all our other leased asset classes. We estimate the standalone selling prices using observable prices, and if they are not available, we estimate the price. Non-lease components include maintenance and other services provided in the contract related to the leased asset. Non-lease components are recognized in accordance with other applicable accounting policies. See Note 7.

Prior to the adoption of Topic 842, we expensed the net fixed payments of operating leases on a straight-line basis over the lease term as required under the prior lease accounting standard ASC 840. Under the prior lease accounting standard, lease assets and liabilities were not required to be recognized.

Employee Benefit Plans

We provide various defined benefit plans to our employees as well as health care benefits to our retired employees. We use actuarial assumptions to calculate pension and benefit costs as well as pension assets and liabilities included in the consolidated financial statements. See Note 10.

Legal Contingencies

We are involved in legal proceedings, claims and litigation arising in the ordinary course of business for which we believe we have adequate reserves, and such reserves are not material to the consolidated financial statements. In addition, from time to time we may be involved in additional matters which could become material and for which we may also establish reserve amounts as discussed in Note 8. We record a liability when management believes that it is both probable that a liability has been incurred and we can reasonably estimate the amount of the loss. For such matters where management believes a liability is not probable but is reasonably possible, a liability is not recorded; instead, an estimate of loss or range of loss, if material individually or in the aggregate, is disclosed if reasonably estimable, or a statement will be made that an estimate of loss cannot be made. As additional information becomes available, we adjust our assessment and estimates of such liabilities accordingly.

Cash and Cash Equivalents

We consider all investments purchased with an initial term from the date of purchase by the Company to maturity of three months or less to be cash equivalents. These instruments are stated at cost, which approximates fair value because of the short maturity of the instruments.

Accounts Receivable Trade and Contract Assets

We classify the right to consideration in exchange for products or services transferred to a client as either a receivable or a contract asset. A receivable is a right to consideration that is unconditional. Receivables include amounts billed and currently due from clients.

A contract asset is a right to consideration that is conditional upon factors other than the passage of time. Contract assets include unbilled amounts typically resulting from sale of long-term contracts when the revenue exceeds the amount billed to the client, and the right to payment is not subject to the passage of time. Amounts may not exceed their net realizable value.

Accounts Receivable Allowances

In order to determine an estimate of expected credit losses, receivables are segmented based on similar risk characteristics including historical credit loss patterns and industry or class of customers to calculate reserve rates. The Company uses an aging method for developing its allowance for credit losses by which receivable balances are stratified based on aging category. A reserve rate is calculated for each aging category which is generally based on historical information. The reserve rate is adjusted, when necessary, for current conditions (e.g., macroeconomic or industry related) and forecasts about the future. The Company also considers customer specific information (e.g., bankruptcy or financial difficulty) when estimating its expected credit losses, as well as the economic environment of the customers, both from an industry and geographic perspective, in evaluating the need for allowances.

Expected credit losses are added to the accounts receivable allowance. Actual uncollectible account write-offs are recorded against the allowance. The Company adopted the new accounting standard on Financial Instruments - Credit Losses (Topic 326) effective January 1, 2020.

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation, except for property, plant and equipment that have been impaired for which the carrying amount is reduced to the estimated fair value at the impairment date. Property, plant and equipment are generally depreciated on a straight-line basis over their estimated useful lives. Our recently acquired headquarters building and related site improvements are depreciated over a period of 53 years and 14 years, respectively. See Note 17. Equipment, including furniture, is depreciated over a period of three to ten years. Leasehold improvements are amortized on a straight-line basis over the shorter of the term of the lease or the estimated useful life of the improvement.

Computer Software

Computer software includes capitalized software development costs for various computer software applications for internal use, including systems which support our databases and common business services and processes (back-end systems), our financial and administrative systems (back-office systems) and systems which we use to deliver our information solutions to clients (client-facing systems). Computer software also includes purchased software and software recognized in connection with acquisitions.

Costs incurred during a software development project’s preliminary stage and post-implementation stage are expensed as incurred. Development activities that are eligible for capitalization include software design and configuration, development of interfaces, coding, testing, and installation. Capitalized costs are amortized on a straight-line basis over the estimated lives which range from three to eight years, beginning when the related software is ready for its intended use.

We enter into cloud computing arrangements to access third party software without taking possession of the software. We assess development activities required to implement such services and defer certain implementation costs directly related to the hosted software that would be eligible for capitalization for internal-use software projects. Deferred implementation costs related to these service arrangements do not qualify as capitalized software and are required to be expensed over the term of the service arrangement, beginning when the implementation activities, including testing, are substantially completed and the related software is operational for users.

We periodically reassess the estimated useful lives of our computer software considering our overall technology strategy, the effects of obsolescence, technology, competition and other economic factors on the useful life of these assets.

Computer software and deferred implementation costs are tested for impairment along with other long-lived assets (See Impairment of Long-Lived Assets below).

Goodwill and Indefinite-Lived Intangible Assets

Goodwill and indefinite-lived intangible assets are not amortized and are tested for impairment at least annually at December 31 and more often if an event occurs or circumstances change which indicate it is more likely than not that fair value is less than carrying amount. If a qualitative assessment identifies that it is more likely than not that the carrying value of a reporting unit or an indefinite-lived intangible asset exceeds its estimated fair value, an additional quantitative evaluation is performed. The annual impairment tests of goodwill and indefinite-lived intangible assets may be completed through qualitative assessments. We may elect to bypass the qualitative assessment and proceed directly to a quantitative impairment test for goodwill or indefinite-lived intangible assets in any period. We may resume the qualitative assessment for any reporting unit or indefinite-lived intangible asset in any subsequent period.

Goodwill

We assess recoverability of goodwill at the reporting unit level. A reporting unit is an operating segment or a component of an operating segment which is a business and for which discrete financial information is available and reviewed by a segment manager. Our reporting units are Finance & Risk and Sales & Marketing within the North America segment, and U.K., Europe, Greater China, India and our WWN alliances within the International segment.

For the qualitative goodwill impairment test, we analyze actual and projected reporting unit growth trends for revenue and profits, as well as historical performance. We also assess critical factors that may have an impact on the reporting units, including macroeconomic conditions, market-related exposures, regulatory environment, cost factors, changes in the carrying amount of net assets, any plans to dispose of all or part of the reporting unit, and other reporting unit specific factors such as changes in key personnel, strategy, customers or competition. In addition, we assess whether the market value of the Company compared to the book amounts are indicative of an impairment.

For the quantitative goodwill impairment test, we determine the fair value of our reporting units based on the market approach and also in certain instances using the income approach to further validate our results. Under the market approach, we estimate the fair value based on market multiples of current year EBITDA for each individual reporting unit. We use judgment in identifying the relevant comparable company market multiples (e.g., recent divestitures or acquisitions, facts and circumstances surrounding the market, dominance, growth rate, etc.). For the income approach, we use the discounted cash flow method to estimate the fair value of a reporting unit. The projected cash flows are based on management’s most recent view of the long-term outlook for each reporting unit. Factors specific to each reporting unit could include revenue growth, profit margins, terminal value, capital expenditure projections, assumed tax rates, discount rates and other assumptions deemed reasonable by management.

An impairment charge is recorded if a reporting unit’s carrying value exceeds its fair value. The impairment charge is also limited to the amount of goodwill allocated to the reporting unit. An impairment charge, if any, is recorded as an operating cost in the period that the impairment is identified.

For 2021, 2020 and 2019, we performed qualitative tests for each of our reporting units and the results of our tests indicated that it was not more likely than not that the goodwill in any reporting unit was impaired.

See Note 18 to the consolidated financial statements for further detail on goodwill by segment.

(Tabular dollar amounts, except share data and per share data, in millions)

Indefinite-Lived Intangible Assets

Under the qualitative approach, we perform impairment tests for indefinite-lived intangible assets based on macroeconomic and market conditions, industry considerations, overall performance and other relevant factors. If we elect to bypass the qualitative assessment for any indefinite-lived intangible asset, or if a qualitative assessment indicates it is more likely than not that the estimated carrying amount of such asset exceeds its fair value, we proceed to a quantitative approach.

Under the quantitative approach, we estimate the fair value of the indefinite-lived intangible asset and compare it to its carrying value. An impairment loss is recognized if the carrying value exceeds the fair value. The estimated fair value is determined primarily using income approach based on the expected present value of the projected cash flows of the assets.

Our indefinite-lived intangible assets are primarily related to the Dun & Bradstreet trade name which was recognized in connection with the Take-Private Transaction. As a result of the impairment tests performed using quantitative approach, no impairment charges for indefinite-lived intangible assets have been recognized for the years ended December 31, 2021 and 2020, the period from January 1, 2019 to December 31, 2019 (Successor) and the period from January 1, 2019 to February 7, 2019 (Predecessor).

Definite-Lived Intangible Assets

Other amortizable intangible assets are recognized in connection with acquisitions. They are amortized over their respective useful life, based on the timing of the benefits derived from each of the intangible assets. Definite-lived intangible assets are also assessed for impairment. Below is a summary of weighted average amortization period for intangible assets at December 31, 2021.

	Weighted average amortization period (years)
Intangible assets:	
Reacquired right	15
Database	17
Customer relationships	17
Technology	10
Partnership agreements	14
Trademark	2

Impairment of Long-Lived Assets

Long-lived assets, including property, plant and equipment, right of use assets, internal-use software and other intangible assets held for use, are tested for impairment when events or circumstances indicate the carrying amount of the asset group that includes these assets is not recoverable. An asset group is the lowest level for which its cash flows are independent of the cash flows of other asset groups. The carrying value of an asset group is considered unrecoverable if the carrying value exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset group. The impairment loss is measured by the difference between the carrying value of the asset group and its fair value. We generally estimate the fair value of an asset group using an income approach or quoted market price, whichever is applicable.

Income Taxes

We are subject to income taxes in the United States and many foreign jurisdictions. In determining our consolidated provision for income taxes for financial statement purposes, we must make certain estimates and judgments. These estimates and judgments affect the determination of the recoverability of certain deferred tax assets and the calculation of certain tax liabilities, which arise from temporary differences between the tax and financial statement recognition of revenue, expenses and net operating losses.

In evaluating our ability to recover our deferred tax assets, we consider all available positive and negative evidence, including our past operating results, the existence of cumulative losses in the most recent years and our forecast of future taxable income. In estimating future taxable income, we develop assumptions, including the amount of future pre-tax operating income, the reversal of temporary differences, and the implementation of feasible and prudent tax planning strategies. These assumptions require judgment about the forecasts of future taxable income and are consistent with the plans and estimates we are using to manage the underlying businesses.

We currently have recorded valuation allowances that we will maintain until it is more likely than not the deferred tax assets will be realized. Our income tax expense recorded in the future may be reduced to the extent of decreases in our valuation allowances. The realization of our remaining deferred tax assets is primarily dependent on future taxable income in the appropriate jurisdiction. Any reduction in future taxable income may require that we record an additional valuation allowance against our deferred tax assets. An increase in a valuation allowance could result in additional income tax expense in such period and could have a significant impact on our future earnings. Changes in tax laws and rates could also affect recorded deferred tax assets and liabilities in the future. Management records the effect of a tax rate or law change on our deferred tax assets and liabilities in the period of enactment. Future tax rate or law changes could have a material effect on our financial condition, results of operations or cash flows.

Foreign Currency Translation

For all operations outside the United States where the local currency is the functional currency, assets and liabilities are translated using the end-of-year exchange rates, and revenues and expenses are translated using monthly average exchange rates. For those countries where the local currency is the functional currency, translation adjustments are accumulated in a separate component of stockholder equity. Foreign currency transaction gains and losses are recognized in earnings in the consolidated statement of operations and comprehensive income (loss). We recorded net foreign currency transaction losses of $5.2 million, gains of $7.1 million, losses of $16.1 million and losses of $0.8 million for the years ended December 31, 2021 and 2020 (Successor), the period from January 1, 2019 to December 31, 2019 (Successor) and the period from January 1, 2019 to February 7, 2019 (Predecessor), respectively.

Earnings Per Share ("EPS") of Common Stock

Basic earnings (loss) per share is computed by dividing net income (loss) by the weighted average number of common shares outstanding for the period. Diluted earnings per share is computed based on the weighted average number of common shares outstanding plus the dilutive effect of our outstanding stock incentive awards. In the case of a net loss, the dilutive effect of the awards outstanding are not included in the computation of the diluted loss per share as the effect of including these shares in the calculation would be anti-dilutive. The dilutive effect of awards outstanding under the stock incentive plans reflected in diluted earnings per share was calculated under the treasury stock method.

Stock-Based Compensation

Stock-based compensation expense is recognized over the award's vesting period on a straight-line basis. The compensation expense is determined based on the grant date fair value. For restricted stock, grant date fair value is based on the closing price of our stock on the date of grant. For stock options, we estimate the grant date fair value using the Black-Scholes valuation model. We recognize forfeitures and the corresponding reductions in expense as they occur. Subsequent to the Take-Private Transaction, our common stock was not publicly traded for a period of time. Thus, estimating grant date fair value prior to the IPO required us to make assumptions including stock price, expected time to liquidity, expected volatility and discount for lack of marketability. The fair value of the underlying shares prior to the IPO was determined contemporaneously with the grants.

For our 2019 grants, we determined stock price per unit equal to the closing price of our Class A equity unit price on February 8, 2019, also the closing date of the Take-Private Transaction. Approximately 94% of the units issued in 2019 were granted in February and March 2019 and almost all of the rest were granted by June 2019. As these grant dates were shortly after the Take-Private Transaction and there were no indications that the value of our Company changed, we believe the Take-Private Transaction date price approximates our fair value on each of the grant dates.

For the expected time to liquidity assumption, management estimated, on the valuation date, the expected change of control or liquidity event was approximately three and half years. The estimate was based on available facts and circumstances on the valuation date, such as our performance and outlook, investors’ strategy and need for liquidity, market conditions, and our financing needs, among other things.

During the time that our stock was not traded publicly, to quantify the appropriate illiquidity or lack of marketability discount inherent in the profits interest units, the protective put method was used. The lack of marketability discount was estimated as the value (or cost) of an at-the-money put option with the same expected holding period as the profits interest units, divided by the stock value.

For the expected volatility assumption after the Take-Private Transaction, we utilize the observable data of a group of similar public companies ("peer group") to develop our volatility assumption. The expected volatility of our stock is determined based on the range of the measure of the implied volatility and the historical volatility for our peer group of companies, re-levered to reflect our capital structure and debt, for a period which is commensurate with the expected holding period of the units.

Our stock-based compensation programs are described more fully in Note 11.

Financial Instruments

From time to time we use financial instruments, including foreign exchange forward contracts, foreign exchange option contracts and interest rate derivatives, to manage our exposure to movements in foreign exchange rates and interest rates. The use of these financial instruments modifies our exposure to these risks in order to minimize the potential negative impact and/or to reduce the volatility that these risks may have on our financial results.

We may use foreign exchange forward and foreign exchange option contracts to hedge certain non-functional currency denominated intercompany and third-party transactions. In addition, foreign exchange forward and foreign exchange option contracts may be used to hedge certain of our foreign net investments. From time to time, we may use interest rate swap contracts to hedge our long-term fixed-rate debt and/or our short-term variable-rate debt.

We recognize all such financial instruments on the balance sheet at their fair values, as either assets or liabilities, with an offset to earnings or other comprehensive earnings, depending on whether the derivative is designated as part of an effective hedge transaction and, if it is, the type of hedge transaction. If a derivative instrument meets hedge accounting criteria as prescribed in the applicable guidance, it is designated as one of the following on the date it is entered into:

Cash Flow Hedge—A hedge of the exposure to variability in the cash flows of a recognized asset, liability or a forecasted transaction. For qualifying cash flow hedges, the changes in fair value of hedging instruments are reported as Other comprehensive income (loss) ("OCI") and are reclassified to earnings in the same line item associated with the hedged item when the hedged item impacts earnings.

Fair Value Hedge—A hedge of the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment. For qualifying fair value hedges, the change in fair value of the hedged item attributable to the hedged risk and the change in the fair value of the hedge instrument is recognized in earnings and presented in the same income statement line item.

We formally document all relationships between hedging instruments and hedged items for a derivative to qualify as a hedge at inception and throughout the hedged period, and we have documented policies for managing our exposures. Derivative financial instruments qualifying for hedge accounting must maintain a specified level of effectiveness between the hedge instrument and the item being hedged. The hedge accounting effectiveness is monitored on an ongoing basis, and if considered ineffective, we discontinue hedge accounting prospectively. See Note 13.

Fair Value Measurements

We account for certain assets and liabilities at fair value, including purchase accounting applied to assets and liabilities acquired in a business combination and long-lived assets that are written down to fair value when they are impaired. We use the acquisition method of accounting for all business combinations. This method requires us to allocate the cost of the acquisition to the assets acquired and the liabilities assumed based on the estimates of fair value for such items, including intangible assets and technology acquired. The excess of the purchase consideration over the fair value of assets acquired and liabilities assumed is recorded as goodwill.We define fair value as the exchange price that would be received for an asset or paid to transfer a liability (in either case an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. The inputs used to measure fair value are prioritized based on a three-level hierarchy. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

Level Input	**Input Definition**
Level I	Observable inputs utilizing quoted prices (unadjusted) for identical assets or liabilities in active markets at the measurement date.
Level II	Inputs other than quoted prices included in Level I that are either directly or indirectly observable for the asset or liability through corroboration with market data at the measurement date.
Level III	Unobservable inputs for the asset or liability in which little or no market data exists, therefore requiring management’s best estimate of what market participants would use in pricing the asset or liability at the measurement date.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls has been determined based on the lowest level input that is significant to the fair value measurement in its entirety. Our assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability. In the absence of active markets for the identical assets or liabilities, such measurements involve developing assumptions based on market observable data and, in the absence of such data, internal information that is consistent with what market participants would use in a hypothetical transaction that occurs at the measurement date. The determination of fair value often requires us to make significant estimates and assumptions such as determining an appropriate discount rate that factors in both risk and liquidity premiums, identifying the similarities and differences in market transactions, weighting those differences accordingly and then making the appropriate adjustments to those market transactions to reflect the risks specific to our assets and liabilities being valued. Other significant assumptions include us projecting future cash flows related to revenues and expenses based on our business plans and outlook which can be significantly impacted by our future growth opportunities, general market environment and geographic sentiment. We may use third-party valuation consultants to assist in the determination of such estimates. Accordingly, the estimates presented herein may not necessarily be indicative of amounts we could realize in a current market sale.

(Tabular dollar amounts, except share data and per share data, in millions)

Note 3 -- Recent Accounting Pronouncements

We consider the applicability and impact of all Accounting Standards Updates ("ASUs") and applicable authoritative guidance. The ASUs not listed below were assessed and determined to be either not applicable or are expected to have an immaterial impact on our consolidated financial position, results of operations and/or cash flows.

Recently Adopted Accounting Pronouncements

In December 2019, the FASB issued ASU No. 2019-12, "Income Taxes (Topic 740)." The amendments in this Update simplify the accounting for income taxes by removing certain exceptions to the general principles in Topic 740. The amendments also improve consistent application of and simplify GAAP for other areas of Topic 740 by clarifying and amending existing guidance. For public business entities, the amendments in this Update are effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020. We adopted this update as of January 1, 2021. This update did not have a material impact on our consolidated financial statements.

In October 2021, the FASB issued ASU No. 2021-08, "Business Combinations (Topic 805) Accounting for Contract Assets and Contract Liabilities from Contracts with Customers." The amendments require an acquirer to recognize and measure contract assets and contract liabilities in a business combination based on the guidance of ASU No. 2014-09, "Revenue from Contracts with Customers (Topic 606)" rather than fair value. For public business entities, the amendments in this update are effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2022. Early adoption of this ASU is permitted, including adoption in an interim period. If early adopted, the amendments are applied retrospectively to all business combinations for which the acquisition date occurred during the fiscal year of adoption. We early adopted this update during the fourth quarter of 2021. As a result of the adoption of this update, no fair value adjustments were made to the acquired deferred revenue balances for acquisitions completed in 2021. See Note 16 to the consolidated financial statements for further detail.

Note 4 -- Revenue

The total amount of the transaction price for our revenue contracts allocated to performance obligations that are unsatisfied (or partially unsatisfied) as of December 31, 2021 is as follows:

	2022	2023	2024	2025	2026	Thereafter	Total
Future revenue	$ 1,283.7	$ 592.3	$ 326.1	$ 159.7	$ 116.9	$ 299.4	$ 2,778.1

The table of future revenue does not include any amount of variable consideration that is a sales or usage-based royalty in exchange for distinct data licenses or that is allocated to a distinct service period within a single performance obligation that is a series of distinct service periods.

Timing of Revenue Recognition

	Successor			Predecessor
	Year ended December 31, 2021	Year ended December 31, 2020	Period from January 1 to December 31, 2019	Period from January 1 to February 7, 2019
Revenue recognized at a point in time	$ 931.8	$ 762.7	$ 731.4	$ 91.4
Revenue recognized over time	1,233.8	976.0	707.6	87.3
Total revenue recognized	$ 2,165.6	$ 1,738.7	$ 1,439.0	$ 178.7

(Tabular dollar amounts, except share data and per share data, in millions)

Contract Balances

	At December 31, 2021		At December 31, 2020		At December 31, 2019	
Accounts receivable, net	$	401.7	$	319.3	$	272.2
Short-term contract assets (1)	$	3.4	$	0.7	$	1.0
Long-term contract assets (2)	$	9.1	$	3.8	$	2.5
Short-term deferred revenue	$	569.4	$	477.2	$	473.4
Long-term deferred revenue (3)	$	13.7	$	14.6	$	5.8

(1) Included within other current assets in the consolidated balance sheet

(2) Included within other non-current assets in the consolidated balance sheet

(3) Included within other non-current liabilities in the consolidated balance sheet

The increase in deferred revenue of $91.3 million from December 31, 2020 to December 31, 2021 was primarily due to cash payments received or due in advance of satisfying our performance obligations, and the acquisition of Bisnode, largely offset by approximately $428.9 million of revenue recognized that was included in the deferred revenue balance at December 31, 2020. See Note 16 for further discussion with regard to the acquisition of Bisnode.

The increase in contract assets of $8.0 million from December 31, 2020 to December 31, 2021 was primarily due to new contract assets recognized, net of new amounts reclassified to receivables during 2021, largely offset by $2.1 million of contract assets included in the balance at December 31, 2020 that were reclassified to receivables when they became unconditional.

The increase in deferred revenue of $12.6 million from December 31, 2019 to December 31, 2020 was primarily due to cash payments received or due in advance of satisfying our performance obligations, largely offset by approximately $477.1 million of revenue recognized that were included in the deferred revenue balance at December 31, 2019, net of the purchase accounting fair value adjustment as a result of our Take-Private Transaction in February 2019.

The increase in contract assets of $1.0 million from December 31, 2019 to December 31, 2020 was primarily due to new contract assets recognized, net of new amounts reclassified to receivables during 2020, largely offset by $3.0 million of contract assets included in the balance at January 1, 2020 that were reclassified to receivables when they became unconditional.

See Note 18 for a schedule providing a further disaggregation of revenue.

Assets Recognized for the Costs to Obtain a Contract

Commission assets, net of accumulated amortization included in deferred costs in the consolidated balance sheet, was $116.1 million and $83.8 million as of December 31, 2021 and December 31, 2020, respectively.

The amortization of commission assets reflected in selling and administrative expenses within the consolidated income statement, is as follows:

Period	Amortization	
Year ended December 31, 2021 (Successor)	$	27.1
Year ended December 31, 2020 (Successor)	$	17.0
Period from January 1 to December 31, 2019 (Successor)	$	4.7
Period from January 1 to February 7, 2019 (Predecessor)	$	3.2

Note 5 -- Restructuring Charges

We incurred restructuring charges (which generally consist of employee severance and termination costs, and contract terminations). These charges were incurred as a result of eliminating, consolidating, standardizing and/or automating our business functions.

We recorded a restructuring charge of $25.1 million for the year ended December 31, 2021. This charge consists of:

- Severance costs of $18.9 million under ongoing benefit arrangements. Approximately 190 employees were impacted. Most of the employees impacted exited the Company by the end of 2021. The cash payments for these employees will be substantially completed by the end of the first quarter of 2022; and

- Contract termination, write down of right of use assets and other exit costs, including those to consolidate or close facilities of $6.2 million.

We recorded a restructuring charge of $37.3 million for the year ended December 31, 2020. This charge consists of:

- Severance costs of $9.9 million under ongoing benefit arrangements. Approximately 165 employees were impacted. Most of the employees impacted exited the Company by the end of 2020. The cash payments for these employees were substantially completed by the end of the second quarter of 2021; and

- Contract termination, impairment of right of use assets and other exit costs, including those to consolidate or close facilities of $27.4 million.

We recorded a restructuring charge of $52.3 million for the year ended December 31, 2019 (Successor) and $0.1 million for the period from January 1, 2019 to February 7, 2019 (Predecessor). These charges consist of:

- Severance costs of $36.6 million (Successor) and $0.1 million (Predecessor) under ongoing benefit arrangements. Approximately 540 employees were impacted and exited the Company by the end of 2019. The cash payments for these employees were substantially completed by the end of the first quarter of 2020; and

- Contract termination, write down of right of use assets and other exit costs, including those to consolidate or close facilities of $15.7 million (Successor).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Tabular dollar amounts, except share data and per share data, in millions)

The following table sets forth the restructuring reserves and utilization:

	Severance and termination	Contract termination and other exit costs	Total
Predecessor:			
Balance as of December 31, 2018	$ 4.7	$ 2.9	$ 7.6
Charge taken from January 1 to February 7, 2019	0.1	—	0.1
Payments made through February 7, 2019	(1.6)	(0.5)	(2.1)
Reclassification related to leases pursuant to the adoption of Topic 842	—	(2.4)	(2.4)
Balance remaining as of February 7, 2019	$ 3.2	$ —	$ 3.2
Successor:			
Balance as of December 31, 2018	$ —	$ —	$ —
Impact of purchase accounting	3.2	—	3.2
Charge taken during 2019 (1)	36.6	12.2	48.8
Payments and other adjustments made during 2019	(34.0)	(7.7)	(41.7)
Balance remaining as of December 31, 2019	$ 5.8	$ 4.5	$ 10.3
Charge taken during 2020 (1)	9.9	5.9	15.8
Payments made during 2020	(13.1)	(3.3)	(16.4)
Balance remaining as of December 31, 2020	$ 2.6	$ 7.1	$ 9.7
Charge taken during 2021 (1)	18.9	—	18.9
Payments made during 2021	(16.8)	(3.8)	(20.6)
Balance remaining as of December 31, 2021	$ 4.7	$ 3.3	$ 8.0

(1) Balance excludes charges accounted for under Topic 842. See Note 7 "Leases" for further discussion.

(Tabular dollar amounts, except share data and per share data, in millions)

Note 6 -- Notes Payable and Indebtedness

Our borrowings are summarized in the following table:

		At December 31, 2021			At December 31, 2020		
	Maturity	Principal amount	Debt issuance costs and discount*	Carrying value	Principal amount	Debt issuance costs and discount*	Carrying value
Debt maturing within one year:							
Term loan facility (1)		$ 28.1	$ —	$ 28.1	$ 25.3	$ —	$ 25.3
Total short-term debt		$ 28.1	$ —	$ 28.1	$ 25.3	$ —	$ 25.3
Debt maturing after one year:							
Term loan facility (1)	February 8, 2026	$ 2,754.8	$ 64.5	$ 2,690.3	$ 2,485.7	$ 77.1	$ 2,408.6
Revolving facility (1) (2)	September 11, 2025	160.0	—	160.0	—	—	—
5.000% Senior unsecured notes (1)	December 15, 2029	460.0	6.8	453.2	—	—	—
6.875% Senior secured notes (1)	August 15, 2026	420.0	6.8	413.2	420.0	8.2	411.8
10.250% Senior unsecured notes (1)	Fully paid off in December 2021	—	—	—	450.0	14.6	435.4
Total long-term debt		$ 3,794.8	$ 78.1	$ 3,716.7	$ 3,355.7	$ 99.9	$ 3,255.8
Total debt		$ 3,822.9	$ 78.1	$ 3,744.8	$ 3,381.0	$ 99.9	$ 3,281.1

*Represents the unamortized portion of debt issuance costs and discounts.

(1) The 5.000% Senior Unsecured Notes, the Senior Secured Credit Facilities, the 6.875% Senior Secured and the 10.250% Unsecured Notes contain certain covenants that limit our ability to incur additional indebtedness and guarantee indebtedness, create liens, engage in mergers or acquisitions, sell, transfer or otherwise dispose of assets, pay dividends and distributions or repurchase capital stock, prepay certain indebtedness and make investments, loans and advances. We were in compliance with these non-financial covenants at December 31, 2021 and December 31, 2020.

(2) The Revolving Facility contains a springing financial covenant requiring compliance with a maximum ratio of first lien net indebtedness to consolidated EBITDA of 6.75. The financial covenant applies only if the aggregate principal amount of borrowings under the Revolving Facility and certain outstanding letters of credit exceeds 35% of the total amount of commitments under the Revolving Facility on the last day of any fiscal quarter. The financial covenant did not apply at December 31, 2021 and December 31, 2020.

Successor Debt

On August 8, 2018, a consortium of investors formed a Delaware limited partnership, Star Parent, L.P. and Star Merger Sub, Inc. ("Merger Sub"), and subsequently formed subsidiaries including Dun & Bradstreet Holdings, Inc., Star Intermediate II, LLC and Star Intermediate III, LLC. Also on August 8, 2018, Dun & Bradstreet entered into an Agreement and Plan of Merger (the "Merger Agreement") with Star Parent, L.P. and Merger Sub. On February 8, 2019, pursuant to the terms of the Merger Agreement, Merger Sub merged with and into Dun & Bradstreet with Dun & Bradstreet continuing as the surviving corporation. The transaction is referred to as the "Take-Private Transaction." In connection with the Take-Private Transaction on February 8, 2019, the Company entered into a credit agreement governing its Senior Secured Credit Facilities (the "Senior Secured Credit Facilities"). The Senior Secured Credit Facilities provided for (i) a seven year senior secured term loan facility in an aggregate principal amount of $2,530 million (the "Term Loan Facility:); (ii) a five year senior secured revolving credit facility in an aggregate principal amount of $400 million (the "Revolving Facility"); and (iii) a 364-day repatriation bridge facility in an aggregate amount of $63 million (the "Repatriation Bridge Loan"). The closing of the Senior Secured Credit Facilities was conditional on the redemption of the Predecessor debt. Also on February 8, 2019, Merger Sub, which was merged into Dun & Bradstreet upon the closing of the Take-Private Transaction, issued $700 million in aggregate principal amount of 6.875% Senior Secured Notes due 2026 and $750 million in aggregate principal amount of 10.250% Senior Unsecured Notes due 2027. Together with the equity contributions from the investors, the proceeds from these financing transactions were used to (i) finance and consummate the Take-Private Transaction and other transactions, including to fund non-qualified pension and deferred compensation plan obligations; (ii) repay in full all outstanding indebtedness under the Company's then-existing senior secured credit facilities; (iii) fund the redemption and discharge of all of the Company's then-existing senior notes; and (iv) pay related fees, costs, premiums and expenses in connection with these transactions.

Initial debt issuance costs of $31.6 million and $17.9 million related to the 10.250% Senior Unsecured Notes and the 6.875% Senior Secured Notes, respectively, were recorded as a reduction of the carrying amount of the notes and amortized over the contractual term of the notes. The Senior Secured Notes and the Senior Unsecured Notes may be redeemed at our option, in whole or in part, following specified events and on specified redemption dates and at the redemption prices specified in the indenture governing the Senior Secured Notes and the Senior Unsecured Notes.

On July 6, 2020, we completed an IPO and concurrent private placement (see Note 1) and received gross proceeds from the transaction of $2,381.0 million. In connection with the IPO and concurrent private placement, we repaid $300 million in aggregate principal amount of our 10.250% Senior Unsecured Notes on July 6, 2020. As a result, the associated deferred debt issuance costs and discount of $10.5 million were written off. In addition, we were required to pay a premium of $30.8 million related to the repayment, for which we recorded an expense. Both were accrued and reflected within "Non-operating income (expense) – net" for the year ended December 31, 2020. The remaining debt issuance costs of $15.7 million continue to be amortized over the remaining term of the notes through the date of the full redemption (see discussion below).

On September 26, 2020, we repaid $280 million in aggregate principal amount of our 6.875% Senior Secured Notes. As a result, the associated deferred debt issuance costs and discount of $5.7 million were written off. In addition, we were required to pay a premium of $19.3 million related to the repayment, for which we recorded an expense. Both were recorded within "Non-operating income (expense)-net" for the year ended December 31, 2020. The remaining debt issuance costs of $8.6 million continue to be amortized over the remaining term of the notes.

On December 20, 2021, we issued $460 million in aggregate principal amount of 5.000% Senior Unsecured Notes due December 15, 2029. The proceeds from the issuance of Senior Unsecured Notes and cash on hand were used to fund the full redemption of the $450 million in aggregate principal amount of our 10.250% Senior Unsecured Notes due 2027, inclusive of an early redemption premium of $29.5 million, accrued interest and other fees and expenses. As a result of the redemption, we recorded a loss on debt extinguishment of $42.0 million as the difference between the settlement payments of $479.5 million and the carrying amount of the debt of $437.5 million, including unamortized debt issuance costs of $12.5 million. The loss was recorded within "Non-operating income (expense)-net" for the year ended December 31, 2021. Initial debt issuance costs of $6.9 million related to the 5.000% Senior Unsecured Notes were recorded as a reduction of the carrying amount of the notes and will be amortized over the contractual term of the notes.

Senior Secured Credit Facilities

Borrowings under the Senior Secured Credit Facilities bear interest at a rate per annum equal to an applicable margin over a LIBOR rate for the interest period relevant to such borrowing, subject to interest rate floors, and they are secured by substantially all of the Company's assets. The debt issuance costs of $62.1 million and discount of $50.6 million related to the Term Loan facility were recorded as a reduction of the carrying amount of the Term Loan Facility and are being amortized over the term of the facility. Initial debt issuance costs of $9.6 million related to the Revolving Facility were included in "Other non-current assets" on the consolidated balance sheet and amortized over the term of the Revolving Facility.

Other details of the Senior Secured Credit Facilities:

- As required by the credit agreement, beginning June 30, 2020, the principal amount of the Term Loan Facility is being paid down in equal quarterly installments in an aggregate annual amount equal to 1.00% of the original principal amount, with the balance being payable on February 8, 2026. The margin to LIBOR was 500 basis points initially. On February 10, 2020, an amendment was made to the credit agreement, specifically related to the Term Loan Facility, which reduced the margin to

LIBOR to 400 basis points. The maturity date for the Term Loan Facility remains February 8, 2026 and no changes were made to the financial covenants or scheduled amortization. In connection with the term loan repricing, we incurred $0.8 million of third-party fees and wrote off $6.2 million of deferred debt issuance costs and discount related to changes in syndicated lenders. Both were recorded within “Other income (expense)-net” for the year ended December 31, 2020. Subsequent to the IPO transaction, the spread was further reduced by 25 basis points to 375 basis points. On January 27, 2021, the spread was reduced by 50 basis points to 325 basis points. The interest rate associated with the outstanding balances of the Term Loan Facility at December 31, 2021 and December 31, 2020 were 3.352% and 3.898%, respectively.

- The margin to LIBOR for borrowings under the Revolving Facility was 350 basis points initially. Subsequent to the IPO transaction, the spread was reduced by 25 basis points to 325 basis points, subject to a ratio-based pricing grid. The aggregate amount available under the Revolving Facility is $850 million. The available borrowing under the Revolving Facility at December 31, 2021 was $690 million and the interest rate associated with the outstanding balance of the Revolving Facility at December 31, 2021 was 3.104%. There was no outstanding balance at December 31, 2020.

- The Repatriation Bridge Facility matured on February 7, 2020. Debt issuance costs of $1.5 million were recorded as a reduction of the carrying amount of the Repatriation Bridge Facility and were amortized over the term of the Repatriation Bridge Facility. The margin to LIBOR was 350 basis points. The outstanding balance of the Repatriation Bridge Facility was fully repaid in February 2020.

On September 11, 2020, we amended our credit agreement dated February 8, 2019, specifically related to the Revolving Facility. The amendment increases the aggregate amount available under the Revolving Facility from $400 million to $850 million, and resets the Revolving Facility maturity date, from February 8, 2024, to September 11, 2025. As a result of the amendment, we wrote off $0.8 million deferred debt issuance costs related to changes in syndication lenders and reported within “Non-operating income (expense) – net” for the year ended December 31, 2020. The remaining deferred debt issuance costs of together with the additional issuance costs of $1.7 million incurred in connection with the amendment, are being amortized over the new five-year term.

On November 18, 2020, we amended our credit agreement dated February 8, 2019, specifically related to the Term Loan Facility. The amendment establishes an Incremental Term Loan in an aggregate principle amount of $300 million. The proceeds of the Incremental Term Loan were drawn and used in January 2021 to finance a portion of the purchase price for the acquisition of the outstanding shares of Bisnode. The issuance discount of $2.6 million was recorded as a reduction of the carrying amount of the Incremental Term Loan and amortized over the remaining term of the loan. The Incremental Term Loan has the same terms as the existing term loan.

On January 27, 2021, we amended our credit agreement dated February 8, 2019, specifically related to the Term Loan Facility to reduce the applicable margin for the term loan facility by 0.50% overall, resulting in a margin spread of LIBOR plus 3.25% per annum or the applicable base rate plus 2.25% per annum and establish a 0.25% step down in the applicable margin if the Company maintains a rating of at least B+ from Standard & Poor’s Investors Ratings Services and receives at least B1 from Moody’s Investors Service.

(Tabular dollar amounts, except share data and per share data, in millions)

Below table sets forth the scheduled maturities and interest payments for our total debt outstanding as of December 31, 2021, plus the Incremental Term Loan of $460 million established on January 18, 2022 (see Note 22):

	2022 (a)	2023	2024	2025	2026	Thereafter	Total
Debt principal outstanding as of December 31, 2021	$ 448.1	$ 28.1	$ 28.1	$ 188.1	$ 2,670.5	$ 460.0	$ 3,822.9
Interest associated with debt outstanding as of December 31, 2021 (b)	149.4	119.9	119.0	116.6	32.4	69.0	606.3
Incremental Term Loan - Principal (c)	3.5	4.6	4.6	4.6	4.6	438.1	460.0
Incremental Term Loan - Interest (c)	15.2	15.0	14.9	14.7	14.6	29.4	103.8
Total debt and interest	$ 616.2	$ 167.6	$ 166.6	$ 324.0	$ 2,722.1	$ 996.5	$ 4,993.0

(a) Amounts reflect the redemption of the $420 million 6.875% Senior Secured Notes (see Note 22).

(b) Includes $28.6 million in 2022 of which $16.3 million related to payment for early redemption premium and $12.3 million related to payment for accrued interest for the 6.875% Senior Secured Notes.

(c) Amounts reflect the Incremental Term Loan of $460 million established on January 18, 2022 (see Note 22).

Retired Predecessor Debt

In connection with the Take-Private Transaction, we repaid in full all outstanding indebtedness under the Predecessor Term Loan Facility and Revolving Credit Facility and funded the redemption and discharge of the Predecessor senior notes, inclusive of a make-whole payment of $25.1 million, which was considered in our determination of the acquisition date fair value of the Predecessor senior notes as part of purchase accounting. The transactions were accounted for as a debt extinguishment in accordance with ASC 470-50, "Debt—Modifications and Extinguishments." The payoff of the Predecessor debt was a condition of the closing of Successor debt financing. Total unamortized debt issuance costs and discount of $6.6 million related to the Predecessor Term Loan Facility and Revolving Credit Facility were allocated zero value as part of purchase accounting. The weighted average interest rate associated with the outstanding balances related to the Predecessor Revolving Credit Facility prior to retirement as of February 7, 2019 was 3.66% and as of December 31, 2018 was 3.72%. The interest rate associated with the outstanding balances related to the Predecessor Term Loan Facility prior to retirement as of February 7, 2019 was 4.00% and as of December 31, 2018 was 4.01%.

Other

We were contingently liable under open standby letters of credit and bank guarantees issued by our banks in favor of third parties totaling $13.5 million at December 31, 2021 and $5.9 million at December 31, 2020.

On March 30, 2021, we entered into three-year interest rate swaps with an aggregate notional amount of $1 billion. The interest rate swaps under the April 20, 2018 agreement expired on April 27, 2021. The objective of the swaps is to mitigate the variation of future cash flows from changes in the floating interest rates on our existing debt. See further discussion in Note 13 to our consolidated financial statements.

(Tabular dollar amounts, except share data and per share data, in millions)

Note 7 — Leases

Effective January 1, 2019, we adopted Topic 842. We recognized $91.9 million and $112.9 million of existing operating leases as right of use assets and lease liabilities, respectively, effective January 1, 2019.

The right of use assets and lease liabilities included in our balance sheet are as follows:

	December 31, 2021	December 31, 2020
Right of use assets included in other non-current assets	$ 71.9	$ 64.8
Short-term operating lease liabilities included in other accrued and current liabilities	26.0	23.4
Long-term operating lease liabilities included in other non-current liabilities	59.4	62.5
Total operating lease liabilities	$ 85.4	$ 85.9

We recognized $33.6 million for both right of use assets and lease liabilities related to new operating leases for the year ended December 31, 2021, primarily related to acquired assets in connection with acquisitions during 2021.

The operating lease cost, supplemental cash flow and other information, and maturity analysis for leases is as follows:

	Successor			Predecessor
	Year ended December 31, 2021	Year ended December 31, 2020	Period from January 1 to December 31, 2019	Period from January 1 to February 7, 2019
Operating lease costs	$ 28.1	$ 26.9	$ 24.6	$ 2.8
Variable lease costs	5.1	3.1	3.9	1.0
Short-term lease costs	1.6	0.4	0.2	—
Sublease income	(2.4)	(0.8)	(0.7)	(0.1)
Total lease costs	$ 32.4	$ 29.6	$ 28.0	$ 3.7

We recorded impairment charge of $1.9 million and $17.5 million for the years ended December 31, 2021 and 2020, respectively, primarily as a result of our decision to shift our workforce model to working remotely in the United States and certain international markets.

Cash paid for operating leases is included in operating cash flows and was $36.8 million, $28.1 million, $23.7 million and $5.9 million for the years ended December 31, 2021 and 2020 (Successor), the period from January 1, 2019 to December 31, 2019 (Successor) and for the period from January 1, 2019 to February 7, 2019 (Predecessor), respectively.

(Tabular dollar amounts, except share data and per share data, in millions)

The maturity analysis for operating lease liabilities is as follows:

	December 31, 2021
2022	$ 29.7
2023	20.5
2024	15.4
2025	13.1
2026	9.5
Thereafter	7.2
Undiscounted cash flows	$ 95.4
Less imputed interest	10.0
Total operating lease liabilities	$ 85.4

Other supplemental information on remaining lease term and discount rate is as follows:

	December 31, 2021	December 31, 2020
Weighted average remaining lease term (in years)	4.3	4.7
Weighted average discount rate	5.0 %	5.5 %

Note 8 -- Contingencies

In the ordinary course of business, we are involved in various pending and threatened litigation and regulatory matters related to our operations, such as claims brought by our clients in connection with commercial disputes, defamation claims by subjects of our reporting, and employment claims made by our current or former employees, some of which include claims for punitive or exemplary damages. Our ordinary course litigation may also include class action lawsuits, which make allegations related to various aspects of our business. From time to time, we are also subject to regulatory investigations or other proceedings by state and federal regulatory authorities as well as authorities outside of the U.S., some of which take the form of civil investigative demands or subpoenas. Some of these regulatory inquiries may result in the assessment of fines for violations of regulations or settlements with such authorities requiring a variety of remedies. We believe that none of these actions depart from customary litigation or regulatory inquiries incidental to our business.

We review lawsuits and other legal and regulatory matters (collectively "legal proceedings") on an ongoing basis when making accrual and disclosure decisions. When assessing reasonably possible and probable outcomes, management bases its decision on its assessment of the ultimate outcome assuming all appeals have been exhausted. For legal proceedings where it has been determined that a loss is both probable and reasonably estimable, a liability based on known facts and which represents our best estimate has been recorded. Actual losses may materially differ from the amounts recorded and the ultimate outcome of our pending cases is generally not yet determinable.

While some of these matters could be material to our operating results or cash flows for any particular period if an unfavorable outcome results, at present we do not believe the ultimate resolution of currently pending legal proceedings, either individually or in the aggregate, will have a material adverse effect on our financial condition.

In addition, in the normal course of business, and including without limitation, our merger and acquisition activities, strategic relationships and financing transactions, the Company indemnifies other parties, including clients, lessors and parties to other transactions with the Company, with respect to certain matters. We have agreed to hold the other parties harmless against losses arising from a breach of representations or covenants, or arising out of other claims made against certain parties. These agreements may limit the time within which an indemnification claim can be made and the amount of the claim. The Company has also entered into indemnity obligations with its officers and directors.

Federal Trade Commission Investigation

On April 10, 2018, the Federal Trade Commission (the "FTC" or the "Commission") issued a Civil Investigative Demand ("CID") to Dun & Bradstreet, Inc. ("D&B Inc.," a wholly-owned subsidiary of the Company) related to an investigation by the FTC into potential violations of Section 5 of the Federal Trade Commission Act (the "FTC Act"), primarily concerning our credit managing and monitoring products such as CreditBuilder. D&B Inc. completed its response to the CID in November 2018. On May 28, 2019, the FTC staff informed D&B Inc. that it believes that certain of D&B's practices violated Section 5 of the FTC Act, and informed D&B Inc. that it had been given authority by the FTC's Bureau of Consumer Protection to engage in consent negotiations. Following discussions between the Company and the FTC staff, on September 9, 2019, the FTC issued a second CID seeking additional information, data and documents. The Company completed its response to the second CID in April 2020. In a letter dated March 2, 2020, the FTC staff identified areas of interest related to the CIDs and we completed our responses to the letter on April 7, 2020. On April 20, 2020, the FTC and D&B Inc. entered a tolling agreement with respect to potential claims related to the subject matter of the investigation. On February 23, 2021, the FTC staff provided D&B Inc. with a draft complaint and consent order outlining its allegations and the forms of relief sought, and advised that it had been given authority to engage in consent negotiations. Following consent negotiations, on September 21, 2021, D&B Inc. agreed to enter in an Agreement Containing Consent Order ("Consent Agreement"). On January 13, 2022, the FTC informed the Company that the Commission had voted to accept the Consent Agreement. On January 19, 2022, the Consent Agreement was published in the Federal Register, triggering a 30-day public comment period that ended on February 18, 2022. The Consent Agreement remains subject to final approval by the Commission following the public comment period.

In accordance with ASC 450, an amount in respect of this matter was accrued in the consolidated financial statements during the first quarter of 2021. The amount of any loss has not been fully determined, and it is possible that the amount could exceed the amount accrued and that the amount of such additional loss could be material.

DeBose v. Dun & Bradstreet Holdings, Inc., No. 2:22-cv-00209-ES-CLW (D.N.J.)

On January 17, 2022, Plaintiff Rashad DeBose filed a Class Action Complaint against the Company, alleging that the Company used the purported class members' names and personas to promote paid subscriptions to the Company's Hoovers product website without consent, in violation of the Ohio right of publicity statute and Ohio common law prohibiting misappropriation of a name or likeness. As this matter was recently filed and the Company is in the very early stages of investigating this matter, the Company has not yet completed its evaluation of the claims or its defenses.

In accordance with ASC 450 Contingencies, similar to what is stated above, as the Company is in the very early stage of investigating the claims, we therefore have no basis to determine that a loss in connection with this matter is probable, reasonably possible or estimable, and thus no reserve has been established nor has a range of loss been disclosed.

Note 9 -- Income Taxes

Income (loss) before provision for income taxes consisted of:

	Successor			Predecessor
	Year ended December 31, 2021	Year ended December 31, 2020	Period from January 1 to December 31, 2019	Period from January 1 to February 7, 2019
U.S.	$ (266.0)	$ (401.1)	$ (810.8)	$ (131.7)
Non-U.S	220.8	174.7	134.6	28.9
Income (loss) before provision for income taxes and equity in net income of affiliates	$ (45.2)	$ (226.4)	$ (676.2)	$ (102.8)

	Successor			Predecessor
	Year ended December 31, 2021	Year ended December 31, 2020	Period from January 1 to December 31, 2019	Period from January 1 to February 7, 2019
Current tax provision:				
U.S. Federal	$ 56.9	$ (29.9)	$ (0.3)	$ (11.1)
State and local	13.8	7.2	1.6	(3.4)
Non-U.S.	40.1	28.0	15.7	4.8
Total current tax provision	$ 110.8	$ 5.3	$ 17.0	$ (9.7)
Deferred tax provision:				
U.S. Federal	$ (92.6)	$ (100.7)	$ (109.8)	$ (14.8)
State and local	15.1	(16.9)	(23.5)	(3.0)
Non-U.S.	(9.9)	(0.1)	(2.0)	—
Total deferred tax provision	$ (87.4)	$ (117.7)	$ (135.3)	$ (17.8)
Provision (benefit) for income taxes	$ 23.4	$ (112.4)	$ (118.3)	$ (27.5)

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(Tabular dollar amounts, except share data and per share data, in millions)

The following table summarizes the significant differences between the U.S. Federal statutory tax rate and our effective tax rate for financial statement purposes:

	Successor			Predecessor
	Year ended December 31, 2021	Year ended December 31, 2020	Period from January 1 to December 31, 2019	Period from January 1 to February 7, 2019
Statutory tax rate	21.0 %	21.0 %	21.0 %	21.0 %
State and local taxes, net of U.S. Federal tax benefits (1)	(58.0)	5.7	3.4	7.0
Nondeductible charges (2)	(5.3)	(1.2)	(3.7)	(1.4)
Change in fair value of make-whole derivative liability (3)	—	(3.0)	(5.4)	—
U.S. taxes on foreign income	(9.5)	(0.9)	(0.4)	(0.2)
Non-U.S. taxes (6)	23.2	3.6	1.4	1.2
Valuation allowance	(2.9)	(0.2)	4.0	—
Legacy transaction costs (4)	—	—	—	6.8
Interest	0.5	(0.2)	(0.1)	—
Tax credits and deductions (6)	30.4	6.7	1.8	0.5
Tax contingencies related to uncertain tax positions (4)	0.7	(0.8)	(0.4)	(8.2)
GILTI tax (6)	(51.6)	(8.2)	(4.4)	—
CARES Act (5)	—	25.5	—	—
Other	(0.3)	1.6	0.3	—
Effective tax rate	(51.8)%	49.6 %	17.5 %	26.7 %

(1) The impact for 2021 reflects the impact of state apportionment changes to our net U.S. deferred taxes as a result of our corporate headquarter move.

(2) The impact for 2021 reflects non-deductible compensation costs. The impact for 2020 reflects non-deductible transaction costs associated with our Initial Public Offering in July 2020. The impact for the 2019 Successor and Predecessor periods reflects non-deductible transaction costs associated with the Take-Private Transaction.

(3) The impact was due to the non-deductible mark to market expense for tax purposes. The change in fair value of make-whole derivative liability expense was associated with the make-whole provision liability for the Series A Preferred Stock.

(4) The impact for the Predecessor period from January 1 to February 8, 2019 was primarily related to deductible legacy transaction costs incurred in predecessor historical periods.

(5) The impact was due to the CARES Act which was signed into law on March 27, 2020. Among other provisions, the law provides that net operating losses arising in a tax year beginning in 2018, 2019, or 2020 can be carried back five years.

(6) Primarily due to the impact of lower consolidated pre-tax loss for the year ended December 31, 2021 compared to the year ended December 31, 2020.

Income taxes paid were $81.9 million, $118.2 million, $34.8 million and $3.3 million for the years ended December 31, 2021 and 2020 (Successor), the period from January 1 to December 31, 2019 (Successor) and the period from January 1, 2019 to February 7, 2019 (Predecessor), respectively. Income taxes refunded were $69.2 million, $1.3 million, $0.5 million and less than $0.1 million for the years ended December 31, 2021 and 2020 (Successor), the period from January 1 to December 31, 2019 (Successor) and the period from January 1, 2019 to February 7, 2019 (Predecessor), respectively.

(Tabular dollar amounts, except share data and per share data, in millions)

Deferred tax assets (liabilities) are comprised of the following:

	December 31,	
	2021	2020
Deferred tax assets:		
Operating losses	$ 69.3	$ 63.9
Interest expense carryforward	121.4	93.5
Restructuring charges	3.6	2.3
Bad debts	5.3	4.9
Accrued expenses	15.4	9.3
Capital loss and credit carryforwards	15.7	14.0
Pension and postretirement benefits	30.9	70.8
ASC 842 - Lease liability	4.9	18.3
Other	11.4	9.2
Total deferred tax assets	$ 277.9	$ 286.2
Valuation allowance	(39.4)	(36.6)
Net deferred tax assets	$ 238.5	$ 249.6
Deferred tax liabilities:		
Intangibles	$ (1,417.5)	$ (1,319.6)
Foreign exchange	—	(6.3)
Fixed assets	(5.1)	—
ASC 842 - ROU asset	(3.2)	(16.2)
Other	(1.4)	—
Total deferred tax liabilities	$ (1,427.2)	$ (1,342.1)
Net deferred tax (liabilities) assets	$ (1,188.7)	$ (1,092.5)

On December 22, 2017, the 2017 Act was signed into law in the U.S. Among other significant changes, the 2017 Act reduced the statutory federal income tax rate for U.S. corporate taxpayers from a maximum of 35 percent to 21 percent and required the deemed repatriation of foreign earnings not previously subject to U.S. taxation. As a result of the enactment of the 2017 Act, we no longer assert indefinite reinvestment for any historical unrepatriated earnings through December 31, 2017. We intend to reinvest indefinitely all earnings from our China and India subsidiaries earned after December 31, 2017 and therefore have not provided for deferred income and foreign withholding taxes related to these jurisdictions.

We have federal, state and local, and foreign tax loss carryforwards, the tax effect of which was $69.3 million as of December 31, 2021. Of the $69.3 million, $38.5 million have an indefinite carry-forward period with the remainder of $30.8 million expiring at various times between 2022 and 2041. Additionally, we have non-U.S. capital loss carryforwards. The associated tax effect was $13.3 million and $10.2 million as of December 31, 2021 and 2020, respectively.

We have established valuation allowances against certain U.S. state and non-U.S. net operating losses and capital loss carryforwards in the amounts of $38.8 million and $36.1 million as of December 31, 2021 and 2020, respectively. In our opinion, certain U.S. state and non-U.S. net operating losses and capital loss carryforwards are more likely than not to expire before we can utilize them.

We or one of our subsidiaries file income tax returns in the U.S. federal, and various state, local and foreign jurisdictions. In the U.S. federal jurisdiction, we are no longer subject to examination by the Internal Revenue Service (“IRS”) for years prior to 2018. In state and local jurisdictions, with a few exceptions, we are no longer subject to examinations by tax authorities for years prior to 2018. In foreign jurisdictions, with a few exceptions, we are no longer subject to examinations by tax authorities for years prior to 2015.

(Tabular dollar amounts, except share data and per share data, in millions)

The following is a reconciliation of the gross unrecognized tax benefits:

Predecessor:		
Gross unrecognized tax benefits as of December 31, 2018	$	5.4
Additions for current year's tax positions		8.9
Gross unrecognized tax benefits as of February 7, 2019	$	14.3
Successor:		
Gross unrecognized tax benefits as of January 1, 2019	$	—
Impact of purchase accounting		14.3
Additions for current year's tax positions		5.3
Settlements with taxing authority		(1.6)
Reduction in prior years' tax positions		(0.1)
Reduction due to expired statute of limitations (1)		(0.8)
Gross unrecognized tax benefits as of December 31, 2019	$	17.1
Additions for current year's tax positions		2.3
Increase in prior years' tax positions		0.3
Reduction due to expired statute of limitations (2)		(0.8)
Gross unrecognized tax benefits as of December 31, 2020	$	18.9
Additions for current year's tax positions		0.5
Increase in prior years' tax positions		0.6
Settlements with taxing authority		(0.4)
Reduction due to expired statute of limitations (3)		(1.0)
Gross unrecognized tax benefits as of December 31, 2021	$	18.6

(1) The decrease was primarily due to the release of reserves as a result of the expiration of the statute of limitations for the 2015 tax year.
(2) The decrease was primarily due to the release of reserves as a result of the expiration of the statute of limitations for the 2016 tax year.
(3) The decrease was primarily due to the release of reserves as a result of the expiration of the statute of limitations for the 2017 tax year.

The amount of gross unrecognized tax benefits of the $18.6 million that, if recognized, would impact the effective tax rate is $17.9 million, net of tax benefits.

We recognize accrued interest expense related to unrecognized tax benefits in the Provision (Benefit) for Income Taxes line in the consolidated statement of operations and comprehensive income (loss). The total amount of interest expense, net of tax benefits, recognized for the years ended December 31, 2021 and 2020 (Successor), the period from January 1 to December 31, 2019 (Successor) and the period from January 1, 2019 to February 7, 2019 (Predecessor) was $0.8 million, $0.6 million, $0.3 million and $0.1 million, respectively. The total amount of accrued interest as of December 31, 2021 and 2020 was $1.3 million and $0.7 million, respectively.

Note 10 -- Pension and Postretirement Benefits

Through June 30, 2007, we offered coverage to substantially all of our U.S. based employees under a defined benefit plan called The Dun & Bradstreet Corporation Retirement Account ("U.S. Qualified Plan"). Prior to that time, the U.S. Qualified Plan covered active and retired employees. The benefits to be paid upon retirement were based on a percentage of the employee's annual compensation. The percentage of compensation allocated annually to a retirement account ranged from 3% to 12.5% based on age and years of service. Amounts allocated under the U.S. Qualified Plan receive interest credits based on the 30-year Treasury rate or equivalent rate published by the Internal Revenue Service. Pension costs are determined actuarially and are funded in accordance with the Internal Revenue Code.

Effective June 30, 2007, we amended the U.S. Qualified Plan. Any pension benefit that had been accrued through such date under the plan was "frozen" at its then current value and no additional benefits, other than interest on such amounts, will accrue under the U.S. Qualified Plan.

Our employees in certain of our international operations are also provided with retirement benefits through defined benefit plans, representing the remaining balance of our pension obligations.

Prior to February 7, 2019, we also maintained supplemental and excess plans in the United States ("U.S. Non-Qualified Plans") to provide additional retirement benefits to certain key employees of the Company. These plans were unfunded, pay-as-you-go plans. In connection with the Take-Private Transaction, a change in control was triggered for a portion of our U.S. Non-Qualified Plans upon the shareholder approval of the Take-Private Transaction on November 7, 2018 and a settlement payment of $190.5 million was made in January 2019. For the remainder of the U.S. Non-Qualified Plans, a change in control was triggered upon the close of the Take-Private Transaction on February 8, 2019 and a settlement payment of $105.9 million was made in March 2019, effectively settling our U.S. Non-Qualified Plan obligation.

Prior to January 1, 2019, we also provided various health care benefits for eligible retirees. Postretirement benefit costs and obligations are determined actuarially. Effective January 1, 2019, the pre-65 health plan was terminated and the post-65 health plan is closed to new participants. In addition, we closed our retiree life insurance plan to new participants, effective January 1, 2019.

Certain of our non-U.S. based employees receive postretirement benefits through government-sponsored or administered programs.

As a result of the elimination of the one-month lag reporting for the subsidiaries outside of North America, we remeasured our pension plans in the international markets based on measurement dates as of December 31, 2020 and 2019. The remeasurement had no material impact on the financial results for the periods presented.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Tabular dollar amounts, except share data and per share data, in millions)

Benefit Obligation and Plan Assets

The following table sets forth the changes in our benefit obligations and plan assets for our pension and postretirement plans. The table also presents the line items in the consolidated balance sheet where the related assets and liabilities are recorded:

	Pension plans		Postretirement benefit obligations	
	Year ended December 31, 2021	Year ended December 31, 2020	Year ended December 31, 2021	Year ended December 31, 2020
Change in benefit obligation:				
Benefit obligation at beginning of year	$ (1,900.3)	$ (1,770.3)	$ (1.6)	$ (2.0)
Service cost	(5.2)	(1.8)	—	—
Interest cost	(27.4)	(42.2)	—	—
Benefits paid	94.1	86.8	0.2	0.8
Acquisitions	(87.4)	—	—	—
Plan amendment	0.3			
Settlement	0.1	7.7	—	—
Plan participants' contributions	(0.9)	(0.1)	—	(0.1)
Actuarial (loss) gain	85.3	(168.9)	0.1	(0.3)
Effect of changes in foreign currency exchange rates	9.0	(11.5)	—	—
Benefit obligation at end of year	$ (1,832.4)	$ (1,900.3)	$ (1.3)	$ (1.6)
Change in plan assets:				
Fair value of plan assets at beginning of year	$ 1,620.4	$ 1,570.9	$ —	$ —
Actual return on plan assets	143.7	128.0	—	—
Acquisitions	22.0	—	—	—
Employer contributions	7.5	5.3	0.2	0.7
Plan participants' contributions	0.9	0.1	—	0.1
Benefits paid	(94.1)	(86.8)	(0.2)	(0.8)
Settlement	—	(7.7)	—	—
Effect of changes in foreign currency exchange rates	(4.0)	10.6	—	—
Fair value of plan assets at end of year	$ 1,696.4	$ 1,620.4	$ —	$ —
Net funded status of plan	$ (136.0)	$ (279.9)	$ (1.3)	$ (1.6)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Tabular dollar amounts, except share data and per share data, in millions)

	Pension plans		Postretirement benefit obligations	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Amounts recorded in the consolidated balance sheets:				
Prepaid pension assets (1)	$ 36.6	$ 4.3	$ —	$ —
Short-term pension and postretirement benefits (2)	(1.2)	(0.4)	(0.2)	(0.2)
Long-term pension and postretirement benefits (3)	(171.4)	(283.8)	(1.1)	(1.4)
Net amount recognized	$ (136.0)	$ (279.9)	$ (1.3)	$ (1.6)
Accumulated benefit obligation	$ 1,819.3	$ 1,890.6	N/A	N/A
Amount recognized in accumulated other comprehensive loss consists of:				
Actuarial loss (gain)	$ 14.5	$ 161.9	$ 0.1	$ 0.2
Prior service cost (credit)	0.1	0.5	(2.2)	(2.6)
Total amount recognized - pretax	$ 14.6	$ 162.4	$ (2.1)	$ (2.4)

(1) Included within other non-current assets in the consolidated balance sheet.

(2) Included within accrued payroll in the consolidated balance sheet.

(3) Included within long-term pension and postretirement benefits in the consolidated balance sheet.

The above actuarial loss (gain) and prior service cost and credit represent the cumulative effect of demographic, investment experience and plan amendment, as well as assumption changes that have been made in measuring the plans’ liabilities since the Take-Private Transaction.

In addition, we provide retirement benefits to certain former executives. At December 31, 2021 and 2020, the associated obligations were $6.5 million and $6.9 million, respectively, of which $5.9 million and $6.3 million, respectively, were also reflected within "Long-term pension and postretirement benefits."

The actuarial gain or loss, to the extent it exceeds the greater of 10% of the projected benefit obligation or market-related value of plan assets, will be amortized into expense each year on a straight-line and plan-by-plan basis, over the remaining expected future working lifetime of active participants or the average remaining life expectancy of the participants if all or almost all of the plan participants are inactive. Currently, the amortization periods range from five to 21 years for the U.S. pension and postretirement plans and six to 31 years for the non-U.S. plans. For our U.S. Qualified Plan and for certain of our non-U.S. plans, the amortization periods are the average life expectancy of all plan participants. This is as a result of almost all plan participants being deemed inactive.

For the year ended December 31, 2021, significant changes in the pension projected benefit obligation include an actuarial gain of $85.3 million of which approximately $95 million was attributable to the change in discount rates, partially offset by loss of approximately $6 million resulting from the updates to the assumed cash balance conversion interest rates for our U.S. plan and loss of approximately $5 million due to the change in mortality assumptions. In connection with the Bisnode acquisition, we assumed pension liability of $87.4 million and plan assets of $22.0 million.

For the year ended December 31, 2020, significant changes in the pension projected benefit obligation include an actuarial loss of $168.9 million of which approximately $173 million loss was attributable to the change in discount rates, partially offset by gain of approximately $12 million resulting from the updates to the assumed cash balance conversion interest rates for our U.S. plan and gain of approximately $11 million due to the change in mortality assumptions.

(Tabular dollar amounts, except share data and per share data, in millions)

Underfunded or Unfunded Accumulated Benefit Obligations

At December 31, 2021 and December 31, 2020, our underfunded or unfunded accumulated benefit obligation and the related projected benefit obligation were as follows:

	2021	2020
Accumulated benefit obligation	$ 1,494.7	$ 1,864.2
Fair value of plan assets	1,328.1	1,588.4
Unfunded accumulated benefit obligation	$ 166.6	$ 275.8
Projected benefit obligation	$ 1,500.8	$ 1,872.5

The underfunded or unfunded accumulated benefit obligations at December 31, 2021 consisted of $105.4 million and $61.2 million related to our U.S. Qualified Plan and non-U.S. defined benefit plans, respectively.

The underfunded or unfunded accumulated benefit obligations at December 31, 2020 consisted of $268.7 million and $7.1 million related to our U.S. Qualified Plan and non-U.S. defined benefit plans, respectively.

The increase of $54.1 million for the underfunded or unfunded accumulated benefit obligations related to our non-U.S. defined benefit plans at December 31, 2021 was primarily due to the addition of the Bisnode pension plans.

Net Periodic Pension Cost

The following table sets forth the components of the net periodic cost (income) associated with our pension plans and our postretirement benefit obligations:

	Pension plans				Postretirement benefit obligations			
	Successor			Predecessor	Successor			Predecessor
	Year ended December 31, 2021	Year ended December 31, 2020	Period from January 1 to December 31, 2019	Period from January 1 to February 7, 2019	Year ended December 31, 2021	Year ended December 31, 2020	Period from January 1 to December 31, 2019	Period from January 1 to February 7, 2019
Components of net periodic cost (income):								
Service cost	$ 5.2	$ 1.8	$ 1.5	$ 0.3	$ —	$ —	$ —	$ —
Interest cost	27.4	42.2	47.2	6.8	—	—	0.1	—
Expected return on plan assets	(83.0)	(88.0)	(83.8)	(10.6)	—	—	—	—
Amortization of prior service cost (credit)	2.3	—	—	—	(0.4)	(0.4)	—	(0.1)
Recognized actuarial loss (gain)	—	—	—	4.0	—	—	—	(0.1)
Net periodic cost (income)	$ (48.1)	$ (44.0)	$ (35.1)	$ 0.5	$ (0.4)	$ (0.4)	$ 0.1	$ (0.2)

We also incurred settlement charges of $0.6 million and $85.8 million for the year ended December 31, 2020 (Successor) and for the period from January 1, 2019 to February 7, 2019 (Predecessor), respectively. Settlement charges for the period from January 1, 2019 to February 7, 2019 (Predecessor) was due to the settlement of a portion of our U.S. Non-Qualified plans triggered by the shareholder approval of the Take-Private Transaction.

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(Tabular dollar amounts, except share data and per share data, in millions)

The following table sets forth other changes in plan assets and benefit obligations recognized in Other Comprehensive Income (Loss):

	Pension plans				Postretirement benefit obligations			
	Successor			Predecessor	Successor			Predecessor
	Year ended December 31, 2021	Year ended December 31, 2020	Period from January 1 to December 31, 2019	Period from January 1 to February 7, 2019	Year ended December 31, 2021	Year ended December 31, 2020	Period from January 1 to December 31, 2019	Period from January 1 to February 7, 2019
Other changes in plan assets and benefit obligations recognized in other comprehensive income (loss)								
Actuarial (loss) gain arising during the year, before tax benefit (expense) of $(38.3), $32.2 and $8.1 for the year ended December 31, 2021, the year ended December 31, 2020 and period from February 8 to December 31, 2019, respectively (1)	$ 145.1	$ (127.3)	$ (34.6)	$ —	$ 0.1	$ (0.4)	$ 0.2	$ —
Prior service credit (cost) arising during the year, before tax benefit (expense) of $(0.1), $0.1 and $(0.8) for the year ended December 31, 2021, the year ended December 31, 2020 and period from February 8 to December 31, 2019, respectively (1)	$ 0.3	$ (0.5)	$ —	$ —	$ —	$ (0.1)	$ 3.1	$ —
Less:								
Amortization of actuarial (loss) gain, before tax benefit (expense) of $0.6 and $(22.2) for the year ended December 31, 2021 and period from January 1 to February 7, 2019 respectively (2)	$ (2.3)	$ —	$ —	$ (87.7)	$ —	$ —	$ —	$ 0.1
Amortization of prior service (cost) credit, before tax benefit (expense) of less than $(0.1) and $(0.1) for the years ended December 31, 2021 and 2020	$ —	$ —	$ —	$ —	$ 0.4	$ 0.4	$ —	$ 0.1

(1) In connection with the Take-Private Transaction, we have remeasured our global pension and postretirement plans on February 8, 2019 in accordance with the guidance within ASC 805 and ASC 715 to recognize as part of the transaction an asset or a liability representing the funded status of each of the plans. The unrecognized actuarial losses or gains were set to zero as of February 8, 2019 as a result of purchase accounting.

(2) For the period from January 1 to February 7, 2019, amortization of actuarial loss included the impact of the settlement charge related to the U.S. Non-Qualified plans.

We apply the long-term expected rate of return assumption to the market-related value of assets to calculate the expected return on plan assets, which is a major component of our annual net periodic pension expense. The market-related value of assets recognizes short-term fluctuations in the fair value of assets over a period of five years, using a straight-line amortization basis. The methodology has been utilized to reduce the effect of short-term market fluctuations on the net periodic pension cost. Since the market-related value of assets recognizes gains or losses over a five-year period, the future value of assets will be impacted as previously deferred gains or losses are amortized.

(Tabular dollar amounts, except share data and per share data, in millions)

Assumptions

The following table sets forth the significant weighted-average assumptions we used to determine the projected benefit obligation and the periodic benefit cost:

	Pension plans				Postretirement benefit obligations			
	Successor			Predecessor	Successor			Predecessor
	Year ended December 31, 2021	Year ended December 31, 2020	Period from January 1 to December 31, 2019	Period from January 1 to February 7, 2019	Year ended December 31, 2021	Year ended December 31, 2020	Period from January 1 to December 31, 2019	Period from January 1 to February 7, 2019
Discount rate for determining projected benefit obligation at December 31	2.38 %	1.98 %	2.79 %	3.57 %	1.80 %	1.20 %	2.35 %	3.64 %
Discount rate in effect for determining service cost	1.89 %	2.10 %	3.11 %	3.16 %	N/A	N/A	N/A	N/A
Discount rate in effect for determining interest cost	1.47 %	2.48 %	3.28 %	3.51 %	1.20 %	2.10 %	3.25 %	3.52 %
Weighted average expected long-term return on plan assets	5.70 %	6.18 %	6.70 %	6.56 %	N/A	N/A	N/A	N/A
Rate of compensation increase for determining projected benefit obligation at December 31	2.88 %	3.00 %	3.00 %	3.00 %	N/A	N/A	N/A	N/A
Rate of compensation increase for determining net pension cost	3.04 %	3.00 %	3.07 %	3.04 %	N/A	N/A	N/A	N/A

The expected long-term rate of return assumption was 6.00%, 6.50% and 7.00% for 2021, 2020 and 2019, respectively, for the U.S. Qualified Plan, our principal pension plan. This assumption is based on the plan's target asset allocation. The expected long-term rate of return assumption reflects long-term capital market return forecasts for the asset classes employed, assumed excess returns from active management within each asset class, the portion of plan assets that are actively managed, and periodic rebalancing back to target allocations. Current market factors such as inflation and interest rates are evaluated before the long-term capital market assumptions are determined. In addition, peer data and historical returns are reviewed to check for reasonableness. Although we review our expected long-term rate of return assumption annually, our plan performance in any one particular year does not, by itself, significantly influence our evaluation. Our assumption is generally not revised unless there is a fundamental change in one of the factors upon which it is based, such as the target asset allocation or long-term capital market return forecasts.

We use discount rates to measure the present value of pension plan obligations and postretirement health care obligations at year-end, as well as, to calculate next year's pension income or cost. It is derived by using a yield curve approach which matches projected plan benefit payment streams with bond portfolios reflecting actual liability duration unique to the plans. The rate is adjusted at each remeasurement date, based on the factors noted above. We measure service and interest costs by applying the specific spot rates along that yield curve to the plans' liability cash flows ("Spot Rate Approach"). We believe the approach provides a more precise measurement of service and interest costs by improving the correlation between projected benefit cash flows and their corresponding spot rates on the yield curve.

For the mortality assumption we used PRI 2012 mortality table ("PRI-2012") for our U.S. plans at December 31, 2021 and 2020, together with mortality improvement projection scales MP-2021 and MP-2020, respectively.

Plan Assets (U.S. Qualified Plan and non-U.S. pension plans)

The investment objective for our principal plan, the U.S. Qualified Plan, is to achieve over the investment horizon a long-term total return, which at least matches our expected long-term rate of return assumption while maintaining a prudent level of portfolio risk. We emphasize long-term growth of principal while avoiding excessive risk so as to use plan asset returns to help finance pension obligations, thus improving our plan's funded status. We predominantly invest in assets that can be sold readily and efficiently to ensure our ability to reasonably meet expected cash flow requirements.

We define our primary risk concern to be the plan's funded status volatility and to a lesser extent total plan return volatility. Understanding that risk is present in all types of assets and investment styles, we acknowledge that some risk is necessary to produce long-term investment results that are sufficient to meet the plan's objectives. However, we monitor and ensure that the investment strategies we employ make reasonable efforts to maximize returns while controlling for risk parameters.

Investment risk is also controlled through diversification among multiple asset classes, managers, investment styles and periodic rebalancing toward asset allocation targets. Risk is further controlled at the investment strategy level by requiring underlying managers to follow formal written investment guidelines which enumerate eligible securities, maximum portfolio concentration limits, excess return and tracking error targets as well as other relevant portfolio constraints. Investment results and risk are measured and monitored on an ongoing basis and quarterly investment reviews are conducted.

The plan assets are primarily invested in funds offered and managed by Aon Investment USA, Inc.

Our plan assets are currently invested mainly in funds overseen by our delegated manager using manager of manager funds which are a combination of both active and passive (indexed) investment strategies. The plan's return seeking assets include equity securities that are diversified across U.S. and non-U.S. stocks, including emerging market equities, in order to further reduce risk at the total plan level. Additional diversification in return seeking assets is achieved by using multi-asset credit, private credit, real estate and hedge fund of funds strategies.

A portion of the plan assets are invested in a liability hedging portfolio to reduce funded status volatility and reduce overall risk for the plan. The portfolio uses manager of manager funds that are diversified principally among securities issued or guaranteed by the U.S. government or its agencies, mortgage-backed securities, including collateralized mortgage obligations, corporate debt obligations and dollar-denominated obligations issued in the U.S. by non-U.S. banks and corporations.

We have formally identified the primary objective for each asset class within our plan. U.S. equities are held for their long-term capital appreciation and dividend income, which is expected to exceed the rate of inflation. Non-U.S. equities are held for their long-term capital appreciation, as well as diversification relative to U.S. equities and other asset classes. Multi-asset credit, private credit, real estate and hedge fund of funds further diversifies the return-seeking assets with reduced correlation due to different return expectations and flows. These diversifying asset classes also provide a hedge against unexpected inflation. Liability hedging assets are held to reduce overall plan volatility and as a source of current income. Additionally, they are designed to provide a hedge relative to the interest rate sensitivity of the plan's liabilities. Cash is held only to meet liquidity requirements.

Investment Valuation

Our pension plan assets are measured at fair value in accordance with ASC 820, "Fair Value Measurement and Disclosures." ASC 820 defines fair value and establishes a framework for measuring fair value under current accounting pronouncements. See Note 2 to our consolidated financial statements for further detail on fair value measurement.

The following is a description of the valuation methodologies used for the investments measured at fair value, including the general classification of such investments pursuant to the valuation hierarchy.

A financial instrument's level or categorization within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Aon Collective Trust Investment Funds

Aon Collective Investment Trust ("CIT") Funds are offered under the Aon CITs and their units are valued at the reported Net Asset Value ("NAV"). Some Funds are within Level 1 of the valuation hierarchy as the NAV is determined and published daily and are the basis for current transactions, while other Funds do not publish a daily NAV, therefore, are excluded from the fair value hierarchy.

- Equity funds' investment objectives are to achieve long-term growth of capital by investing diversified portfolio of primarily U.S. and non-U.S. equity securities and approximate as closely as practicable the total return of the S&P 500 and global stock indices.
- Fixed income funds' investment objectives are to seek current income and capital appreciation by investing in a diversified portfolio of domestic and foreign debt securities, government obligations and bond funds with various durations.
- Real estate funds' investment objective is to achieve a return by investing primarily in securities of U.S. and foreign real estate investment trusts, real estate operating companies and other companies that principally engaged in the real estate industry or derive at least 50% of their revenues or earnings owning, operating, developing and /or managing real estate.

Aon Alternative Investment Funds

These investments are valued at the reported NAV; however, these investments do not publish a daily NAV, therefore, are excluded from the fair value hierarchy.

The Aon Private Credit Opportunities Fund is established as a fund-of-funds for investors seeking exposure to a diversified portfolio of private credit investments by allocating to a select pool of United States and European-based private credit funds.

The Aon Liquid Alternatives Fund LTD Class A seeks to generate consistent long-term capital appreciation, it is also concerned with preservation of capital. The Fund diversifies its holdings among a number of Managers that collectively implement a range of alternative investment strategies.

The Aon Opportunistic Alternatives SP Shareholder Summary Class A's investment objective is to generate attractive returns over a full market cycle by investing in a range of alternative investment opportunities with sources of return that have a low correlation to the broader financial markets, while also seeking to preserve capital under the direction of the Investment Manager.

The Aon Opportunistic Credit Portfolio SP is a segregated portfolio of Aon Alternatives Fund SPC, a Cayman Islands exempted company registered as a segregated portfolio company. The Portfolio's investment objective is to seek to generate attractive returns by investing in a range of credit opportunities.

Short-Term Investment Funds ("STIF")

These investments include cash, bank notes, corporate notes, government bills and various short-term debt instruments. The investment objective is to provide safety of principal and daily liquidity by investing in high quality money market instruments. They are valued at the reported NAV and within Level 1 of the valuation hierarchy as the NAV is determined and published daily, and are the basis for current transactions of the units based on the published NAV.

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(Tabular dollar amounts, except share data and per share data, in millions)

The Venture Capital Fund

The Fund is structured as a conventional, private venture capital firm. The Fund will target investments that are in early-stage technology companies. The Fund expects to invest in seed stage development companies, principally in the software and technology-enabled businesses sector. It is classified as other investments measured at the NAV and is excluded from the fair value hierarchy.

The U.S. Qualified Plan has an additional unfunded commitment of $0.1 million and $0.3 million to the Venture Capital Fund at December 31, 2021 and 2020, respectively, and $17.2 million and $19.9 million to the Aon Private Credit Opportunities Fund and Aon Opportunistic Credit Fund at December 31, 2021 and 2020, respectively.

There were no transfers among the levels of the fair value hierarchy during the years ended December 31, 2021 and 2020.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the plan assets at fair value as of December 31, 2021:

Asset category	Quoted prices in active markets for identical assets (Level I)	Significant other observable inputs (Level II)	Significant unobservable inputs (Level III)	Total
Short-term investment funds	$ 16.7	$ —	$ —	$ 16.7
Aon Collective Investment Trust Funds:				
Equity funds	$ 390.7	$ —	$ —	$ 390.7
Fixed income funds	577.3	—	—	577.3
Real estate funds	0.6	—	—	0.6
Total Aon Collective Investment Trust Funds	$ 968.6	$ —	$ —	$ 968.6
Total	$ 985.3	$ —	$ —	$ 985.3
Other Investments Measured at Net Asset Value				
Aon Collective Investment Trust Funds				$ 159.1
Aon Alternative Investment Funds:				
Fixed income funds				$ 155.1
Venture Capital Fund				5.3
Other Non-U.S. commingled equity and fixed income				391.6
Total other investments measured at net asset value				$ 552.0
Total investments at fair value				$ 1,696.4

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The following table sets forth by level, within the fair value hierarchy, the plan assets at fair value as of December 31, 2020:

Asset category	Quoted prices in active markets for identical assets (Level I)	Significant other observable inputs (Level II)	Significant unobservable inputs (Level III)	Total
Short-term investment funds	$ 21.2	$ —	$ —	$ 21.2
Aon Collective Investment Trust Funds:				
Equity funds	$ 448.5	$ —	$ —	$ 448.5
Fixed income funds	475.3	—	—	475.3
Real estate funds	6.8	—	—	6.8
Total Aon Collective Investment Trust Funds	$ 930.6	$ —	$ —	$ 930.6
Total	$ 951.8	$ —	$ —	$ 951.8
Other Investments Measured at Net Asset Value				
Aon Collective Investment Trust Funds				$ 147.5
Aon Alternative Investment Funds:				
Fixed income funds				$ 137.3
Venture Capital Fund				4.7
Other Non-U.S. commingled equity and fixed income				379.1
Total other investments measured at net asset value				$ 521.1
Total investments at fair value				$ 1,620.4

Allocations

We employ a total return investment approach in which a mix of equity, debt and alternative (e.g., real estate) investments is used to achieve a competitive long-term rate of return on plan assets at a prudent level of risk. Our weighted average plan target asset allocation is 49% return-seeking assets (range of 40% to 60%) and 51% liability-hedging assets (range of 40% to 60%).

The following table sets forth the weighted average asset allocations and target asset allocations by asset category, as of the measurement dates of the plans:

	Asset allocations		Target asset allocations	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Return-seeking assets	52 %	58 %	49 %	56 %
Liability-hedging assets	48 %	42 %	51 %	44 %
Total	100 %	100 %	100 %	100 %

Contributions and Benefit Payments

We expect to contribute $4.0 million to our non-U.S. pension plans and $0.2 million to our postretirement benefit plan in 2022. We did not make contributions in 2021 and do not expect to make any required contributions to the U.S. Qualified Plan in

(Tabular dollar amounts, except share data and per share data, in millions)

2022 for the 2021 plan year based on the minimum funding requirements as defined in the Pension Protection Act of 2006 as amended. Final funding requirements for 2021 will be determined based on our January 2022 funding actuarial valuation.

The following table summarizes expected benefit payments from our pension plans and postretirement plans through 2031. Actual benefit payments may differ from expected benefit payments. These amounts are net of expected plan participant contributions:

	Pension plans	Postretirement benefit plans
2022	$ 96.0	$ 0.2
2023	$ 98.0	$ 0.2
2024	$ 99.7	$ 0.2
2025	$ 100.7	$ 0.1
2026	$ 101.7	$ 0.1
2027 - 2031	$ 514.2	$ 0.4

Health Care Benefits

The following table presents healthcare trend assumptions used to determine the year end benefit obligation:

	2021	2020
Medical (1)	N/A	5.3 %
Prescription drug (1)	N/A	8.5 %

(1) The rates are assumed to decrease to 5.0% in 2026 and remain at that level thereafter.

401(k) Plan

We have a 401(k) Plan covering substantially all U.S. employees that provides for employee salary deferral contribution and employer contributions. Employees may contribute up to 50% of their pay on a pre-tax basis subject to IRS limitations. In addition, employees with age 50 or older are allowed to contribute additional pre-tax “catch-up” contributions. In addition, the Company matches up to 50% of seven percent (7%) of a team member’s eligible compensation, subject to certain 401(k) Plan limitations.

We had expense associated with our 401(k) Plan of $11.1 million, $10.6 million, $9.4 million and $1.2 million for the year ended December 31, 2021 (Successor), the year ended December 31, 2020 (Successor), the period from January 1, 2019 to December 31, 2019 (Successor) and the period from January 1, 2019 to February 7, 2019 (Predecessor), respectively.

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Note 11 -- Stock Based Compensation

The following table sets forth the components of our stock-based compensation and expected tax benefit for the years ended 2021, 2020 and 2019 related to the plans in effect during the respective year:

	Successor			Predecessor
	Year ended December 31, 2021	Year ended December 31, 2020	Period from January 1 to December 31, 2019 (1)	Period from January 1 to February 7, 2019 (1)
Stock-based compensation expense:				
Restricted stock and restricted stock units	$ 18.7	$ 3.1	$ —	$ 11.7
Stock options	3.0	23.0	—	—
Incentive units	11.6	19.0	11.7	—
Total compensation expense	$ 33.3	$ 45.1	$ 11.7	$ 11.7
Expected tax benefit:				
Restricted stock and restricted stock units	$ 3.4	$ 0.5	$ —	$ —
Stock options	0.2	5.9	—	—
Total compensation expense	$ 3.6	$ 6.4	$ —	$ —

(1) In connection with the Take-Private Transaction on February 8, 2019, all outstanding stock options and restricted stock units, whether vested or unvested, were cancelled and converted into the right to receive $145 in cash per share, less any applicable exercise price. As a result, an expense of $10.4 million was included in the Predecessor's net earnings for the period from January 1, 2019 to February 7, 2019 in connection with the acceleration of the vesting of the outstanding grants. In addition, we recorded $56.3 million related to incentive units granted to certain investors for the Successor period from January 1 to December 31, 2019. See further discussion below.

2020 Omnibus Incentive Plan

In connection with the IPO completed on July 6, 2020, we adopted the Dun & Bradstreet 2020 Omnibus Incentive Plan (the "Plan"). Under the Plan, we are authorized to issue up to 40,000,000 shares of the Company's common stock in the form of stock-based awards, such as, but not limited to, restricted stock, restricted stock units ("RSUs") and stock options. As of December 31, 2021, a total of 30,645,817 shares of our common stock were available for future grants under the Plan.

(Tabular dollar amounts, except share data and per share data, in millions)

The following table summarizes the restricted stock, restricted stock units and stock options granted during the years ended December 31, 2021 and 2020:

Date	Number of shares granted	Grant date fair value per share	Vesting period (in years)	Vesting criteria
Restricted Stock & RSU's: (1)				
August 12, 2020	75,378	$25.87	1.0	Service
August 12, 2020	220,335	$25.87	2.6	Service
August 12, 2020	205,546	$25.87	1.7	Service
November 6, 2020	184,672	$26.13	3.0	Service
November 9, 2020	9,568	$25.88	3.0	Service
December 1, 2020	7,400	$27.03	3.0	Service
February 11, 2021	65,790	$22.80	2.4	Service
March 10, 2021	67,021	$22.01	1.0	Service
March 10, 2021 (2)	2,203,390	$22.01	3.0	Service & Performance
March 31, 2021	13,440	$23.81	3.0	Service
June 30, 2021	329,904	$21.37	3.0	Service
August 4, 2021	6,607	$18.92	1.0	Service
September 30, 2021 (2)	224,886	$16.81	3.0	Service & Performance
September 30, 2021	116,004	$16.81	3.0	Service
December 31, 2021	26,843	$20.49	2.9	Service
Stock Options:				
June 30, 2020 (3)	4,160,000	$4.80	0.0	N/A
June 30, 2020 (4)	3,840,000	$5.19	3.0	Service

(1) Employee awards generally vest ratably over three years and director awards vest 100% after one year.
(2) These awards are also subject to an annual performance target. Vesting of these awards are dependent on the satisfaction of the annual performance target.
(3) Awards were granted in connection with the IPO and fully vested at time of grant. See Note 19, "Related Parties" for further discussion.
(4) Awards vest ratably over three years in annual installments, commencing on the first anniversary of the grant date.

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The following tables summarize the restricted stock, restricted stock units and stock options activity for the years ended December 31, 2021 and 2020:

	Restricted stock & restricted stock units			
	Number of shares	Weighted-average grant date fair value	Weighted average remaining contractual term (in years)	Aggregate intrinsic value (in millions)
Balances, January 1, 2020	—	$—		
Granted (1)	702,899	$25.95		
Forfeited	—	$—		
Vested	—	$—		
Balances, December 31, 2020	702,899	$25.95	1.3	$17.5
Granted	3,053,885	$21.37		
Forfeited	(681,615)	$23.03		
Vested	(317,330)	$25.77		
Balances, December 31, 2021	2,757,839	$21.61	1.2	$56.5

(1) Included the conversion of 205,546 phantom units into restricted stock units

	Stock options			
	Number of options	Weighted-average exercise price	Weighted average remaining contractual term (in years)	Aggregate intrinsic value (in millions)
Balances, January 1, 2020	—	$—		
Granted	8,000,000	$22.00		
Forfeited	(350,000)	$22.00		
Vested	—	$—		
Balances, December 31, 2020	7,650,000	$22.00	6.5	$22.2
Granted	—	$0.00		
Forfeited	(1,270,000)	$22.00		
Vested	—	$—		
Balances, December 31, 2021	6,380,000	$22.00	5.5	$—
Expected to vest as of December 31, 2021	1,480,004	$22.00	5.5	$—
Exercisable as of December 31, 2021	4,899,996	$22.00	5.5	$—

As of December 31, 2021, total unrecognized compensation cost related to non-vested restricted stock and RSUs were $43.8 million, which are expected to be recognized over a weighted average period of 2.2 years. As of December 31, 2021, total unrecognized compensation cost related to stock options was $5.7 million, which was expected to be recognized over a weighted average period of 1.5 years.

(Tabular dollar amounts, except share data and per share data, in millions)

We accounted for stock-based compensation based on grant date fair value. For restricted stock, grant date fair value was based on the closing price of our stock on the date of grant. For stock options, we estimated the grant date fair value using the Black-Scholes valuation model. The assumptions for the Black-Scholes valuation model related to stock options granted during the year ended December 31, 2020 are set forth in the following table:

Weighted average assumptions		
Expected stock price volatility		28 %
Expected dividend yield		— %
Expected life of option (in years)		3.98
Risk-free interest rate		— %
Black Scholes value	$	4.99
Exercise price	$	22.00

Expected stock price volatility was derived from the historical volatility of companies in our peer group. The risk-free interest rate assumption corresponds to the time to liquidity assumption and is based on the U.S. Treasury yield curve in effect at the time.

Employee Stock Purchase Plan ("ESPP")

Effective December 2020, we adopted the Dun & Bradstreet Holdings, Inc. ESPP that allows eligible employees to voluntarily make after-tax contributions ranging from 3% to 15% of eligible earnings. The Company contributes varying matching amounts to employees, as specified in the plan document, after a one year holding period. During the holding period, ESPP purchased shares are not eligible for sale or broker transfer. We recorded the associated expense of approximately $4 million for the year ended December 31, 2021.

Incentive Units Program

Subsequent to the closing of the Take-Private Transaction, Star Parent, L.P.’s long-term incentive plans were authorized to issue up to 19,629.25 Class C incentive units ("profits interest") or phantom units to eligible key employees, directors and consultants of The Dun & Bradstreet Corporation. At December 31, 2019, 18,443.42 incentive units and 249.10 phantom units were issued and outstanding. These units vest ratably over a three-year period and once vested they are not subject to expiration. The terms of these units provided the opportunity for the grantees to participate in the future value of Dun & Bradstreet in excess of its grant date fair value, but only to the extent that the required payments to the other classes of units had been met. We account for these units in accordance with ASC 718, "Compensation—Stock Compensation" and ASU No. 2018-07. Compensation expense is recognized ratably over the three-year vesting period.

In addition, the Company issued 6,817.74 Class B units and 15,867.81 Class C units to certain investors, which vested immediately. We recognized an expense of $56.3 million related to these incentive units during the period from January 1, 2019 to December 31, 2019.

(Tabular dollar amounts, except share data and per share data, in millions)

The following table sets forth the profits interest units granted subsequent to the Take-Private Transaction during the 2019 Successor period:

Units granted during quarter ended	Number of units granted	Weighted average exercise price	Weighted average fair value of underlying share	Weighted average fair value per unit
March 31, 2019	32,987.01	$10,329.70	$10,000.00	$2,449.59
June 30, 2019	1,726.51	$10,329.70	$10,000.00	$2,366.59
September 30, 2019	74.73	$10,329.70	$10,000.00	$2,198.20
December 31, 2019	198.05	$10,329.70	$10,000.00	$2,140.61
Total	34,986.30			$2,443.21

The fair value of the underlying shares was determined contemporaneously with the grants.

We determined that the incentive units are equity-classified awards and the compensation expense for these units was calculated by estimating the fair value of each unit at the date of grant. The fair value of each incentive unit was calculated on the date of grant using the Black-Scholes option valuation model. The Company's stock was not publicly traded when these units were granted. We did not have a history of market prices for the common stock. Thus, estimating grant date fair value required us to make assumptions including stock price, expected time to liquidity, expected volatility and discount for lack of marketability, etc. The weighted average assumptions used to estimate fair value for grants made under the Successor equity-based award program are summarized as follows:

	Class B units	Class C units
Expected stock price volatility	43.9 %	43.9 %
Risk-free interest rate	2.43 %	2.40 %
Time to liquidity (in years)	3.5	3.4
Expected dividend yield	—	—
Fair value of units	$ 3,480	$ 3,332
Discount for lack of marketability	27 %	28 %
Adjusted fair value of units	$ 2,540	$ 2,443

We had determined that the phantom units were liability-classified awards and the initial compensation expense was calculated based on the same grant date fair value applied to the incentive units. We reassessed the fair value of the phantom units and adjusted expense accordingly. The amount associated with these phantom grants was immaterial at December 31, 2019.

In connection with the IPO in July 2020, we converted the 18,245.79 outstanding profits interests of Star Parent, L.P. into 15,055,564 common units of Star Parent, L.P. In addition, we also converted the 15,867.81 vested profits interests held by certain investors into 13,093,367 shares of common stock of Dun & Bradstreet Holdings, Inc. The common units retain the original time-based vesting schedule and are subject to the same forfeiture terms. The fair value of the common units was not greater than the fair value of the Star Parent, L.P. profits interests immediately prior to the conversion; therefore, no additional compensation expense was recognized. We accelerated the vesting of 1,342,909 common units, held by one of our directors, incurring an acceleration charge of $3.4 million during the year ended December 31, 2020. During 2021 Star Parent L.P. was liquidated. As part of the liquidation, each vested common unit was exchanged for a share of common stock of the Company and distributed to the grantees and each unvested common unit was exchanged for a restricted share of common stock. These restricted shares retain the original time-based vesting schedule and are subject to the same forfeiture terms. The following table summarizes the activities for common units and restricted shares for the years ended December 31, 2021 and 2020.

	Number of common units/restricted shares	Weighted-average grant date fair value	Weighted average remaining contractual term (in years)	Aggregate intrinsic value (in millions)
Outstanding, June 30, 2020	15,055,564	$2.95	1.7	$331.2
Distribution	—	$0.00		
Forfeited	(260,357)	$2.90		
Outstanding, December 31, 2020	14,795,207	$2.95	1.5	$368.4
Distribution	(10,635,652)	$2.95		
Forfeited	(332,986)	$2.89		
Outstanding, December 31, 2021	3,826,569	$2.95	0.24	$78.4
Expected to vest, December 31, 2021	3,826,569	$2.95	0.24	$78.4

As of December 31, 2021, total unrecognized compensation cost related to non-vested restricted shares was $2.4 million, which is expected to be recognized over a weighted average period of 0.24 year.

Predecessor Programs

Under our Predecessor's stock incentive plans certain employees and non-employee directors received stock-based awards, such as, but not limited to, restricted stock units, restricted stock and stock options.

Restricted Stock Units

Our Predecessor's restricted stock unit programs included both performance-based awards and service-based awards. The performance-based awards had either a market condition or a performance condition. All awards generally contained a service-based condition. The compensation expense for our performance-based awards was recognized on a graded-vesting basis over the requisite service period. The expense for the performance-based awards with market conditions was recognized regardless of whether the market condition was satisfied, provided that the requisite service had been met. The expense for the performance-based awards with performance conditions was initially recognized assuming that the target level of performance would be achieved. Each reporting period we assessed the probability of achieving the performance targets and if necessary adjusted the compensation expense based on this assessment. Final compensation expense recognized would ultimately depend on the actual number of shares earned against the performance condition as well as fulfillment of the requisite service condition. The expense for the awards earned based solely on the fulfillment of the service-based condition was recognized on a straight-line basis over the requisite service periods.

(Tabular dollar amounts, except share data and per share data, in millions)

We calculated the grant date fair value using a Monte Carlo simulation model for awards with a market condition, Monte Carlo simulation model requires assumptions including expected stock price volatility, expected dividend yield, expected term and risk-free interest rate. Generally expected stock price volatility was based on historical volatility or a blend of historical volatility and, when available, implied volatility. The expected dividend yield assumption was determined by dividing our most recent quarterly dividend payment by the average of the stock price from the three months preceding the grant date. The result was then annualized and compounded. Expected term was based on the period from the date of grant through the end of the performance evaluation period. The risk-free interest rate was based on the U.S. Treasury yield curve in effect at the time of grant.

In connection with the Take-Private Transaction on February 8, 2019, all outstanding unvested performance-based restricted stock units, were cancelled and converted into the right to receive $145 in cash per share, Total unrecognized compensation expense related to nonvested performance-based restricted stock units at February 7, 2019 was $5.7 million. This expense was accelerated and recognized at the time of the Take-Private Transaction.

Service-based Restricted Stock Units

Prior to 2019, the Company issued grants of restricted stock units to certain employees. These grants generally vested over a three to five-year period on a graded vesting basis. In addition, our non-employee directors received grants of restricted stock units as part of their annual equity retainer. These grants normally vested about one year from date of grant.

For the service-based restricted stock units, the fair value was calculated by using the average of the high and low prices of our common stock on the date of grant.

In connection with the Take-Private Transaction on February 7, 2019, total unrecognized compensation expense related to nonvested service-based restricted stock units was $4.7 million. This expense was accelerated and recognized at the time of the Take-Private Transaction.

Note 12 -- Earnings (Loss) Per Share

Basic earnings (loss) per share is computed by dividing net income (loss) for the period by the weighted-average number of common shares outstanding during the period.

In periods when we report net income, diluted earnings per share is calculated by dividing net income by the weighted average number of common shares outstanding during the period plus the dilutive effect of our outstanding stock incentive awards. For periods when we report a net loss, diluted earnings per share is equal to basic earnings per share, as the impact of our outstanding stock incentive awards is considered to be antidilutive.

The following table sets forth the computation of basic and diluted earnings (loss) per share:

	Successor			Predecessor
	Year ended December 31, 2021	Year ended December 31, 2020	Period from January 1 to December 31, 2019	Period from January 1 to February 7, 2019
Net income (loss) attributable to Dun & Bradstreet Holdings, Inc. (Successor) / The Dun & Bradstreet Corporation (Predecessor)	$ (71.7)	$ (180.6)	$ (674.1)	$ (75.6)
Weighted average number of shares outstanding-basic	428.7	367.1	314.5	37.2
Weighted average number of shares outstanding-diluted	428.7	367.1	314.5	37.2
Earnings (loss) per share of common stock:				
Basic	$ (0.17)	$ (0.49)	$ (2.14)	$ (2.04)
Diluted	$ (0.17)	$ (0.49)	$ (2.14)	$ (2.04)

The weighted average number of shares outstanding used in the computation of diluted earnings per share excludes the effect of potentially issuable common shares totaling 1,092,148 shares and 179,870 shares for the years ended December 31, 2021 and 2020, respectively, and 1,548 shares for the period from January 1 to February 7, 2019 (Predecessor). These potentially issuable common shares were not included in the calculation of diluted earnings per share because their effect would be anti-dilutive.

(Tabular dollar amounts, except share data and per share data, in millions)

Below is a reconciliation of our common stock issued and outstanding:

Common shares issued and outstanding as of December 31, 2019	314,494,968
Shares issued in connection with IPO and private placement	108,506,312
Issuance of restricted stock awards	416,851
Shares forfeited	—
Common shares issued as of December 31, 2020	423,418,131
Less: treasury shares	465,903
Common shares outstanding as of December 31, 2020	422,952,228
Common shares issued as of December 31, 2020	423,418,131
Shares issued	9,177,810
Shares forfeited	(524,942)
Common shares issued as of December 31, 2021	432,070,999
Less: treasury shares	873,217
Common shares outstanding as of December 31, 2021	431,197,782

Note 13 -- Financial Instruments

We employ established policies and procedures to manage our exposure to changes in interest rates and foreign currencies. We use foreign exchange forward and option contracts to hedge certain short-term foreign currency denominated loans and third-party and intercompany transactions. We may also use foreign exchange forward contracts to hedge our net investments in our foreign subsidiaries. In addition, we may use interest rate derivatives to hedge a portion of the interest rate exposure on our outstanding debt or in anticipation of a future debt issuance, as discussed under “Interest Rate Risk Management” below.

We do not use derivative financial instruments for trading or speculative purposes. If a hedging instrument is not designated as a hedge or ceases to qualify as a hedge in accordance with hedge accounting guidelines, any subsequent gains and losses are recognized currently in income. Collateral is generally not required for these types of instruments.

By their nature, all such instruments involve risk, including the credit risk of non-performance by counterparties. However, at December 31, 2021 and 2020, there was no significant risk of loss in the event of non-performance of the counterparties to these financial instruments. We control our exposure to credit risk through monitoring procedures and by selection of reputable counterparties.

Our trade receivables do not represent a significant concentration of credit risk at December 31, 2021 and 2020, because we sell to a large number of clients in different geographical locations and industries.

Interest Rate Risk Management

Our objective in managing our exposure to interest rates is to limit the impact of interest rate changes on our earnings, cash flows and financial position, and to lower our overall borrowing costs. To achieve these objectives, we maintain a practice that floating-rate debt be managed within a minimum and maximum range of our total debt exposure. To manage our exposure and limit volatility, we may use fixed-rate debt, floating-rate debt and/or interest rate swaps. We recognize all derivative instruments as either assets or liabilities at fair value in the consolidated balance sheet.

We use interest rate swaps to manage the impact of interest rate changes on our earnings. Under the swap agreements, we make monthly payments based on the fixed interest rate and receive monthly payments based on the floating rate. The objective of the swaps is to mitigate the variation of future cash flows from changes in the floating interest rates on our existing debt. The swaps are designated and accounted for as cash flow hedges. Changes in the fair value of the hedging instruments are recorded in other comprehensive income (loss) and reclassified to earnings in the same line item associated with the hedged item when the hedged item impacts earnings.

The notional amount of the interest rate swap designated as a cash flow hedging instrument was $1 billion and $129 million at December 31, 2021 and 2020, respectively.

On March 30, 2021, the Company entered into three-year interest rate swaps with an aggregate notional amount of $1 billion, effective March 29, 2021 through March 27, 2024. For these swaps, the Company pays a fixed rate of 0.467% and receives the one-month LIBOR rate. The interest rate swaps, with an aggregate notional amount of $129 million, under the April 20, 2018 agreement expired on April 27, 2021.

Foreign Exchange Risk Management

Our objective in managing exposure to foreign currency fluctuations is to reduce the volatility caused by foreign exchange rate changes on the earnings, cash flows and financial position of our international operations. From time to time, we follow a practice of hedging certain balance sheet positions denominated in currencies other than the functional currency applicable to each of our various subsidiaries. In addition, we are subject to foreign exchange risk associated with our international earnings and net investments in our foreign subsidiaries. We may use short-term, foreign exchange forward and, from time to time, option contracts to execute our hedging strategies. Typically, these contracts have maturities of 12 months or less. These contracts are denominated primarily in the British pound sterling, the Euro, the Swedish Krona, and the Norwegian Krone. The gains and losses on the forward contracts associated with our balance sheet positions are recorded in “Other income (expense) – net” in the consolidated statements of operations and comprehensive income (loss) and are essentially offset by the losses and gains on the underlying foreign currency transactions. Our foreign exchange forward contracts are not designated as hedging instruments under authoritative guidance.

To decrease earnings volatility, we currently hedge substantially all our intercompany balance positions denominated in a currency other than the functional currency applicable to each of our various subsidiaries with short-term, foreign exchange forward contracts. In the prior year, certain balance sheet positions were not being hedged in order to reduce the volatility of cash flows required to settle these forward contracts. However, starting in the third quarter of 2020, we resumed our practice of hedging substantially all our intercompany balance positions. The underlying transactions and the corresponding foreign exchange forward contracts are marked to market at the end of each quarter and the fair value impacts are reflected within “Non-operating income (expense) – net” in the consolidated financial statements. In addition, in connection with the acquisition of Bisnode, we entered into a zero-cost foreign currency collar in October 2020, with a notional amount of SEK 4.8 billion to reduce our foreign currency exposure. Unrealized gain associated with the instrument was $23.5 million at December 31, 2020. We settled the collar on January 8, 2021 with a total realized gain of $21.0 million upon the close of the Bisnode transaction, resulting in a loss of $2.5 million for the year ended December 31, 2021.

As of December 31, 2021 and December 31, 2020, the notional amounts of our foreign exchange contracts were $448.5 million and $212.9 million, respectively. Realized gains and losses associated with these contracts were $11.4 million and $10.1 million, respectively, for the year ended December 31, 2021; $17.4 million and $9.7 million, respectively, for the year ended December 31, 2020; and $18.2 million and $27.6 million, respectively, for the period from January 1 to December 31, 2019. Unrealized gains and losses associated with these contracts were $1.9 million and $0.7 million, respectively, at December 31, 2021; $2.0 million and $0.9 million, respectively, at December 31, 2020; and $0.3 million and $0.5 million, respectively, at December 31, 2019.

(Tabular dollar amounts, except share data and per share data, in millions)

Fair Values of Derivative Instruments in the Consolidated Balance Sheets

	Asset derivatives				Liability derivatives			
	December 31, 2021		December 31, 2020		December 31, 2021		December 31, 2020	
	Balance sheet location	Fair value	Balance sheet location	Fair value	Balance sheet location	Fair value	Balance sheet location	Fair value
Derivatives designated as hedging instruments								
Interest rate contracts	Other current assets	$ 10.1	Other current assets	$ —	Other accrued & current liabilities	$ —	Other accrued & current liabilities	$ 1.0
Total derivatives designated as hedging instruments		$ 10.1		$ —		$ —		$ 1.0
Derivatives not designated as hedging instruments								
Foreign exchange collar	Other current assets	$ —	Other current assets	$ 23.5		$ —		$ —
Foreign exchange forward contracts	Other current assets	1.9	Other current assets	2.0	Other accrued & current liabilities	$ 0.7	Other accrued & current liabilities	0.9
Total derivatives not designated as hedging instruments		$ 1.9		$ 25.5		$ 0.7		$ 0.9
Total derivatives		$ 12.0		$ 25.5		$ 0.7		$ 1.9

The Effect of Derivative Instruments on the Consolidated Statement of Operations and Comprehensive Income (Loss)

	Amount of pre-tax gain or (loss) recognized in OCI on derivative			
	Successor			Predecessor
Derivatives in cash flow hedging relationships	**Year ended December 31, 2021**	**Year ended December 31, 2020**	**Period from January 1 to December 31, 2019**	**Period from January 1 to February 7, 2019**
Interest contracts	$ 11.1	$ 0.9	$ (1.6)	$ —

	Amount of gain or (loss) reclassified from accumulated OCI into income			
	Successor			**Predecessor**
Location of gain or (loss) reclassified from accumulated OCI into income	**Year ended December 31, 2021**	**Year ended December 31, 2020**	**Period from January 1 to December 31, 2019**	**Period from January 1 to February 7, 2019**
Interest expense	$ (3.4)	$ (2.8)	$ (0.7)	$ —

(Tabular dollar amounts, except share data and per share data, in millions)

	Amount of gain or (loss) recognized in income on derivative			
	Successor			Predecessor
Location of gain or (loss) recognized in income on derivative	**Year ended December 31, 2021**	**Year ended December 31, 2020**	**Period from January 1 to December 31, 2019**	**Period from January 1 to February 7, 2019**
Interest expense	$ (3.4)	$ (2.8)	$ (0.7)	$ —

Amounts expected to be reclassified into earnings, net over the next 12 months is less than $0.1 million.

Derivatives not designated as hedging instruments	**Location of gain or (loss) recognized in income on derivatives**	**Amount of gain (loss) recognized in income on derivatives**			
		Successor			**Predecessor**
		Year ended December 31, 2021	**Year ended December 31, 2020**	**Period from January 1 to December 31, 2019**	**Period from January 1 to February 7, 2019**
Make-whole derivative liability	Non-operating income (expenses) – net	$ —	$ (32.8)	$ (172.4)	$ —
Foreign exchange collar	Non-operating income (expenses) – net	$ (2.5)	$ 23.5	$ —	$ —
Foreign exchange forward contracts	Non-operating income (expenses) – net	$ 1.4	$ 9.0	$ (12.0)	$ 1.8

Fair Value of Financial Instruments

Our financial assets and liabilities that are reflected in the consolidated financial statements include derivative financial instruments, cash and cash equivalents, accounts receivable, other receivables, accounts payable, short-term borrowings and long-term borrowings.

The following table summarizes fair value measurements by level at December 31, 2021 for assets and liabilities measured at fair value on a recurring basis:

	Quoted prices in active markets for identical assets (Level I)	**Significant other observable inputs (Level II)**	**Significant unobservable inputs (Level III)**	**Balance at December 31, 2021**
Assets:				
Cash equivalents (1)	$ 1.7	$ —	$ —	$ 1.7
Other current assets:				
Foreign exchange forwards (2)	$ —	$ 1.9	$ —	$ 1.9
Swap arrangements (4)	$ —	$ 10.1	$ —	$ 10.1
Liabilities:				
Other accrued and current liabilities:				
Foreign exchange forwards (2)	$ —	$ 0.7	$ —	$ 0.7

(Tabular dollar amounts, except share data and per share data, in millions)

The following table summarizes fair value measurements by level at December 31, 2020 for assets and liabilities measured at fair value on a recurring basis:

	Quoted prices in active markets for identical assets (Level I)	Significant other observable inputs (Level II)	Significant unobservable inputs (Level III)	Balance at December 31, 2020
Assets:				
Cash equivalents (1)	$ 212.3	$ —	$ —	$ 212.3
Other current assets:				
Foreign exchange forwards (2)	$ —	$ 2.0	$ —	$ 2.0
Foreign exchange collar (3)	$ —	$ 23.5	$ —	$ 23.5
Other accrued and current liabilities:				
Foreign exchange forwards (2)	$ —	$ 0.9	$ —	$ 0.9
Swap arrangements (4)	$ —	$ 1.0	$ —	$ 1.0

(1) The carrying value of cash equivalents represents fair value as they consist of highly liquid investments with an initial term from the date of purchase by the Company to maturity of three months or less.

(2) Primarily represents foreign currency forward contracts. Fair value is determined based on observable market data and considers a factor for nonperformance in the valuation.

(3) Represents foreign currency collar entered in October 2020 in connection with the acquisition of Bisnode, which was settled on January 8, 2021 with a total gain of $21.0 million. Fair value is determined based on observable market data.

(4) Represents interest rate swap agreements. Fair value is determined based on observable market data.

There were no transfers between Levels I and II or transfers in or transfers out of Level III in the fair value hierarchy for the year ended December 31, 2021 and the year ended December 31, 2020.

At December 31, 2021 and December 31, 2020, the fair value of cash and cash equivalents, accounts receivable, other receivables and accounts payable approximated carrying value are due to the short-term nature of these instruments. The estimated fair values of other financial instruments subject to fair value disclosures, determined based on valuation models using discounted cash flow methodologies with market data inputs from globally recognized data providers and third-party quotes from major financial institutions (categorized as Level II in the fair value hierarchy), are as follows:

	Balance at			
	December 31, 2021		December 31, 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Long-term debt (1)	$ 866.4	$ 924.5	$ 847.2	$ 1,056.1
Revolving facility	$ 160.0	$ 162.7	$ —	$ —
Term loan facility (2)	$ 2,718.4	$ 2,840.7	$ 2,433.9	$ 2,476.2

(1) Includes the 5.000% Senior Unsecured Notes and the 6.875% Senior Secured Notes at December 31, 2021 and the 6.875% Senior Secured Notes and the 10.250% Unsecured Notes at December 31, 2020.

(2) Includes short-term and long-term portions of the Term Loan Facility.

Items Measured at Fair Value on a Nonrecurring Basis

In addition to assets and liabilities that are recorded at fair value on a recurring basis, we record assets and liabilities at fair value on a nonrecurring basis as required by GAAP. Generally, assets are recorded at fair value on a nonrecurring basis as a result of impairment charges and for acquisition accounting in accordance with the guidance in ASC 805 "Business Combinations."

(Tabular dollar amounts, except share data and per share data, in millions)

Note 14 -- Accumulated Other Comprehensive Income (Loss)

The following table summarizes the changes in the accumulated balances for each component of accumulated other comprehensive income (loss) ("AOCI"):

	Foreign currency translation adjustments	Defined benefit pension plans	Derivative financial instruments	Total
Balance, January 1, 2020	$ 0.9	$ (24.0)	$ (1.1)	$ (24.2)
Other comprehensive income (loss) before reclassifications	25.3	(96.0)	(1.4)	(72.1)
Amounts reclassified from accumulated other comprehensive income (loss), net of tax	—	(0.3)	2.1	1.8
Balance, December 31, 2020	$ 26.2	$ (120.3)	$ (0.4)	$ (94.5)
Other comprehensive income (loss) before reclassifications	(78.8)	107.0	4.9	33.1
Amounts reclassified from accumulated other comprehensive income (loss), net of tax	—	1.4	2.9	4.3
Balance, December 31, 2021	$ (52.6)	$ (11.9)	$ 7.4	$ (57.1)

The following table summarizes the reclassifications out of AOCI:

		Amount reclassified from accumulated other comprehensive income (loss)			
		Successor			Predecessor
Details about accumulated other comprehensive income (loss) components	Affected line item in the statement where net income (loss) is presented	Year ended December 31, 2021	Year ended December 31, 2020	Period from January 1 to December 31, 2019	Period from January 1 to February 7, 2019
Defined benefit pension plans:					
Amortization of prior service costs	Other income (expense)- net	$ (0.4)	$ (0.4)	$ —	$ (0.1)
Amortization of actuarial gain/loss	Other income (expense)- net	2.3	—	—	3.9
Derivative financial instruments:					
Interest contracts	Interest expense	3.9	2.8	0.7	—
Total before tax		5.8	2.4	0.7	3.8
Tax benefit (expense)		(1.5)	(0.6)	(0.2)	(1.0)
Total reclassifications for the period, net of tax		$ 4.3	$ 1.8	$ 0.5	$ 2.8

Note 15 -- Take-Private Transaction

On August 8, 2018, Dun & Bradstreet entered into an Agreement and Plan of Merger (the "Merger Agreement") with Parent and Merger Sub. On February 8, 2019, pursuant to the terms of the Merger Agreement, Merger Sub merged with and into Dun & Bradstreet with Dun & Bradstreet continuing as the surviving corporation. Investors of Merger Sub believe that Dun & Bradstreet's strong market position and financial performance can be further reinforced by executing additional growth initiatives and implementing cost saving initiatives.

The Take-Private Transaction was funded through $3,076.8 million of cash from the issuance of common and preferred shares, as well as $4,043.0 million borrowings from notes issuance and Credit Facilities (see Note 6 for further discussion). The net proceeds were used to (i) finance the consummation of the Take-Private Transaction, (ii) repay in full all outstanding indebtedness under Dun & Bradstreet's then-existing credit facilities, (iii) fund the redemption of all Dun & Bradstreet's then-existing senior notes and (iv) pay related fees, costs, premiums and expenses in connection with these transactions.

Upon the close of the Take-Private Transaction, each share of common stock of Dun & Bradstreet, formerly publicly-traded under the symbol of "DNB", was cancelled and converted into the right to receive $145.00 in cash, without interest and subject to any applicable withholding taxes. In addition, each then-outstanding stock option and restricted stock units of Dun & Bradstreet, whether vested or unvested, was cancelled and converted into the right to receive $145.00 in cash, less applicable exercise price, without interest.

On February 8, 2019, as required by the related change in control provision in the following agreements, the Company repaid in full the outstanding borrowings under the then-existing Revolving Five-Year Credit Agreement and the Term Loan Credit Agreement, both dated as of June 19, 2018. In addition, on February 8, 2019, notices of full redemption with respect to the Company's (i) then-existing 4.00% Senior Notes due 2020, in an aggregate principal amount of $300 million, and (ii) then-existing 4.37% Senior Notes due 2022 (together the "Existing Notes"), in an aggregate principal amount of $300 million, were delivered to the respective holders thereof, notifying those holders of the redemption of the entire outstanding aggregate principal amount of each series of Existing Notes on March 10, 2019.

The merger was accounted for in accordance with ASC 805, and the Company was determined to be the accounting acquiror.

The Take-Private Transaction was valued at $6,068.7 million of which $5,431.2 million was paid to acquire Dun & Bradstreet's common stock, including stock options and restricted stock units, based on $145.00 per share and $637.5 million was paid to extinguish the then-existing debt on and following the Take-Private Transaction closing date. Assets and liabilities were recorded at the estimated fair value at the Take-Private Transaction closing date.

Transaction costs incurred by the Predecessor of $52.0 million were included in selling and administrative expenses of Predecessor's results of operations for the period from January 1, 2019 to February 7, 2019. Transaction costs of $147.4 million incurred by Merger Sub were included in selling and administrative expenses of Successor's results of operations for the period from January 1, 2019 to March 31, 2019. Successor's accumulated deficit as of December 31, 2018 includes approximately $13 million related to Merger Sub's transaction costs incurred in 2018.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Tabular dollar amounts, except share data and per share data, in millions)

The table below reflects the purchase price related to the acquisition and the resulting purchase allocation:

	Weighted average amortization period (years)	Initial purchase price allocation	Measurement period adjustments	Final Purchase price allocation at December 31, 2019
Cash		$ 117.7	$ —	$ 117.7
Accounts receivable		267.8	(1.7)	266.1
Other current assets		46.8	(0.4)	46.4
Total current assets		432.3	(2.1)	430.2
Intangible assets:				
Customer relationships	16.9	2,589.0	(200.5)	2,388.5
Partnership agreements	14.3	—	230.3	230.3
Computer software	7.8	376.0	—	376.0
Database	17	1,769.0	(47.0)	1,722.0
Trademark	Indefinite	1,200.8	75.0	1,275.8
Goodwill		2,797.6	(10.0)	2,787.6
Property, plant & equipment		30.3	—	30.3
Right of use asset		103.9	7.4	111.3
Other		34.4	(0.1)	34.3
Total assets acquired		$ 9,333.3	$ 53.0	$ 9,386.3
Accounts payable		$ 74.2	$ —	$ 74.2
Deferred revenue		398.4	(0.6)	397.8
Accrued liabilities		240.1	(2.3)	237.8
Short-term pension and other accrued benefits		106.0	—	106.0
Other current liabilities		41.1	4.7	45.8
Total current liabilities		859.8	1.8	861.6
Long-term pension and postretirement obligations		213.6	7.4	221.0
Deferred tax liability		1,388.3	(7.7)	1,380.6
Long-term debt		625.1	—	625.1
Other liabilities		161.0	8.0	169.0
Total liabilities assumed		3,247.8	9.5	3,257.3
Non-controlling interest		16.8	43.5	60.3
Less: debt repayment		637.5	—	637.5
Amounts paid to equity holders		$ 5,431.2	$ —	$ 5,431.2

The fair value of the customer relationships and partnership agreements intangible assets were determined by applying the income approach through a discounted cash flow analysis, specifically a multi-period excess earnings method. The valuation was based on the present value of the net earnings attributable to the measured assets.

The computer software intangible asset represents our data supply and service platform to deliver customer services and solutions. The fair value of this intangible asset was determined by the cost replacement approach.

Trademark intangible asset represents our Dun & Bradstreet brand. Database represents our global proprietary market leading database. We applied the income approach to value trademark and database intangible assets, specifically, a relief from royalty method. The valuation was based on the present value of the net earnings attributable to the measured asset.

(Tabular dollar amounts, except share data and per share data, in millions)

The fair value of the deferred revenue was determined based on estimated direct costs to fulfill the related obligations, plus a reasonable profit margin based on selected peer companies' margins as a benchmark.

The fair values of the acquired assets and liabilities were subject to change within the one-year measurement period. We obtained information to determine the fair values of the net assets acquired at the acquisition date during the measurement period. Since the initial valuation reflected in our financial results as of March 31, 2019, we allocated goodwill and intangible assets between our North America and International segments, as well as among reporting units based on their respective projected cash flows. In addition, we recorded adjustments to the deferred tax liability reflecting the allocation of intangible assets between segments. The above measurement period adjustments to the preliminary valuation of assets and liabilities resulted in a net reduction of goodwill of $10.0 million during 2019. We completed the purchase accounting process as of December 31, 2019.

The value of the goodwill is primarily related to the expected cost savings and growth opportunity associated with product development. The intangible assets, with useful lives from 8 to 17 years, are being amortized over a weighted-average useful life of 16.5 years. The customer relationship and database intangible assets are amortized using an accelerating method. Computer software and partnership agreements intangible assets are amortized using a straight-line method. The amortization methods reflect the timing of the benefits derived from each of the intangible assets.

The goodwill acquired was not deductible for tax purposes.

Unaudited Pro Forma Financial Information

The following pro forma statement of operations data presents the combined results of the Company and its acquisition of Dun & Bradstreet, assuming the acquisition completed on February 8, 2019 had occurred on January 1, 2018.

	2019	2018
Reported revenue (Successor)	$ 1,413.9	$ —
Dun & Bradstreet pre-acquisition revenue	178.7	1,716.4
Deferred revenue fair value adjustment	134.3	(152.2)
Pro forma revenue	$ 1,726.9	$ 1,564.2
Reported net income (loss) attributable to Dun & Bradstreet Holdings, Inc.(Successor)	$ (674.0)	$ —
Dun & Bradstreet pre-acquisition net income (loss)	(75.6)	288.1
Pro forma adjustments - net of income tax (1):		
Deferred revenue fair value adjustment	104.4	(118.3)
Incremental amortization of intangibles	(15.5)	(350.7)
Amortization of deferred commissions	(2.0)	16.9
Transaction costs	154.9	(114.5)
Pension expense adjustment	69.5	38.9
Equity-based compensation adjustment	8.1	—
Preferred dividend adjustment	(21.8)	(128.7)
Incremental interest expense and facility cost adjustment	(21.9)	(215.4)
Pro forma net income (loss) attributable to Dun & Bradstreet Holdings, Inc. (Successor)	$ (473.9)	$ (583.7)

(1) The blended statutory tax rate of 22.3% was assumed for 2019 and 2018 for the purpose of pro forma presentation.

(Tabular dollar amounts, except share data and per share data, in millions)

Note 16 -- Acquisitions

2021 Acquisitions

Eyeota Holdings Pte Ltd ("Eyeota")

On November 5, 2021, we acquired 100% of the outstanding ownership interests in Eyeota, a global online and offline data onboarding and transformation company, for a purchase price of $172.3 million in cash, subject to net working capital adjustment. The acquisition was funded by borrowing from our revolving facility.

The acquisition was accounted for in accordance with ASC 805, as a purchase transaction, and accordingly, the assets and liabilities of the entity were recorded at their estimated fair values at the date of the acquisition. We have included the financial results of Eyeota in our consolidated financial statements since the acquisition date. Transaction costs of $3.0 million were included in selling and administrative expenses for the year ended December 31, 2021. We allocated goodwill and intangible assets to our North America segment.

The table below reflects the aggregate purchase price related to the acquisition and the resulting purchase allocation:

	Amortization life (years)	Initial purchase price allocation
Cash		$ 7.1
Accounts receivable		9.3
Other		0.5
Total current assets		16.9
Intangible assets:		
Customer relationships	14	20.0
Technology	5	14.0
Trademark	2	1.0
Goodwill	Indefinite	138.3
Total assets acquired		$ 190.2
Deferred tax liability		$ 5.9
Other liabilities		12.0
Total liabilities assumed		17.9
Total purchase price		$ 172.3

The fair value of the customer relationships intangible asset was determined by applying the income approach through a discounted cash flow analysis, specifically a multi-period excess earnings method. The valuation was based on the present value of the net earnings attributable to the measured assets.

The technology intangible asset represents Eyeota's data supply and service platform to deliver customer services and solutions. We applied the income approach to value technology intangible assets, specifically, a relief from royalty method. The valuation was based on the present value of the net earnings attributable to the measured assets.

The intangible assets, with useful lives from two years to 14 years, are being amortized over a weighted-average useful life of 10.1 years. Intangible assets are amortized using a straight-line method. The amortization methods reflect the timing of the benefits derived from each of the intangible assets.

The value of the goodwill is primarily related to the expected growth opportunity in the target marketing business from the combined business. We do not expect goodwill to be deductible for tax purposes.

Although we believe that the information gathered to date provides a reasonable basis for estimating the fair values of assets acquired and liabilities assumed, the initial purchase price allocations for Eyeota are preliminary and are subject to revision as permitted by ASC 805. The primary areas of the purchase price allocation that are not yet finalized are related to certain liabilities, contingencies and deferred taxes. We will adjust the associated fair values if facts and circumstances arise that necessitate change. We expect to complete the purchase accounting process as soon as practicable but no later than one year from the acquisition date.

(Tabular dollar amounts, except share data and per share data, in millions)

NetWise Data, LLC ("NetWise")

On November 15, 2021, we acquired 100% of the outstanding ownership interests in NetWise, a provider of business to business and business to consumer identity graph and audience targeting data, for a purchase price of $69.8 million of which $62.9 million was paid upon the close of the transaction and the remaining $6.9 million will be paid no later than 19 months after the transaction closing date, subject to net working capital adjustment. The transaction was funded by cash on hand.

The acquisition was accounted for in accordance with ASC 805, as a purchase transaction, and accordingly, the assets and liabilities of the entity were recorded at their estimated fair values at the date of the acquisition. We have included the financial results of NetWise in our consolidated financial statements since the acquisition date. Transaction costs of $0.4 million were included in selling and administrative expenses for the year ended December 31, 2021. We allocated goodwill and intangible assets to our North America segment.

The table below reflects the aggregate purchase price related to the acquisition and the resulting purchase allocation:

	Amortization life (years)	Initial purchase price allocation at December 31, 2021
Cash		$ 2.6
Accounts receivable		2.6
Other		0.4
Total current assets		5.6
Intangible assets:		
Customer relationships	15	19.8
Technology	5	1.3
Trademark	2	0.2
Database	3	2.2
Goodwill	Indefinite	41.9
Total assets acquired		$ 71.0
Total liabilities assumed		1.2
Total purchase price		$ 69.8

The fair value of the customer relationships intangible asset was determined by applying the income approach through a discounted cash flow analysis, specifically a multi-period excess earnings method. The valuation was based on the present value of the net earnings attributable to the measured assets.

The database intangible asset represents business and consumer data collected and managed by NetWise. The technology intangible asset represents NetWise's data supply and service platform to deliver customer services and solutions. We applied the income approach to value database and technology intangible assets, specifically, a relief from royalty method. The valuation was based on the present value of the net earnings attributable to the measured assets.

The intangible assets, with useful lives from two years to 15 years, are being amortized over a weighted-average useful life of 13.2 years. Intangible assets are amortized using a straight-line method. The amortization methods reflect the timing of the benefits derived from each of the intangible assets.

The value of the goodwill is primarily related to the expected growth opportunity to expand our products and services offerings in marketing business from the combined business. The goodwill recognized is deductible for tax purposes.

Although we believe that the information gathered to date provides a reasonable basis for estimating the fair values of assets acquired and liabilities assumed, the initial purchase price allocations for NetWise are preliminary and are subject to revision as permitted by ASC 805. The primary areas of the purchase price allocation that are not yet finalized are related to certain liabilities and contingencies. We will adjust the associated fair values if facts and circumstances arise that necessitate change. We expect to complete the purchase accounting process as soon as practicable but no later than one year from the acquisition date.

Bisnode Business Information Group AB ("Bisnode")

On January 8, 2021, we acquired 100% ownership of Bisnode, a leading European data and analytics firm and long-standing member of the Dun & Bradstreet WWN alliances, for a total purchase price of $805.8 million. The transaction closed with a combination of cash of $646.9 million and 6,237,087 newly issued shares of common stock of the Company in a private placement valued at $158.9 million based on the stock closing price on January 8, 2021. Upon the close of the transaction, we settled a zero-cost foreign currency collar and received $21.0 million, which reduced our net cash payment for the acquisition. The transaction was partially funded by the proceeds from the $300 million borrowing from the Incremental Term Loan. See Note 6 for further discussion.

The acquisition was accounted for in accordance with ASC 805, as a purchase transaction, and accordingly, the assets and liabilities of the entity were recorded at their estimated fair values at the date of the acquisition. We have included the financial results of Bisnode in our consolidated financial statements since the acquisition date. Transaction costs of $0.4 million and $4.6 million were included in selling and administrative expenses for the years ended December 31, 2021 and 2020, respectively. As a result of the acquisition, we wrote off pre-existing contract assets and liabilities of $2.9 million and $0.8 million to selling and administrative expenses and revenue, respectively, for the year ended December 31, 2021. The acquisition effectively settled these pre-existing relationships. We allocated goodwill and intangible assets to our International segment.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Tabular dollar amounts, except share data and per share data, in millions)

The table below summarizes the fair value of the assets acquired and liabilities assumed as of the acquisition date:

	Weighted average amortization period (years)	Initial purchase price allocation at March 31, 2021	Measurement period adjustment	Final purchase price allocation at December 31, 2021
Cash		$ 29.9	$ —	$ 29.9
Accounts receivable		61.0	—	61.0
Other current assets		13.1	—	13.1
Total current assets		104.0	—	104.0
Property, plant & equipment		3.5	—	3.5
Intangible assets:				
Reacquired right	15	271.0	(1.0)	270.0
Database	12	116.0	(5.0)	111.0
Customer relationships	10	106.0	2.0	108.0
Technology	14	65.0	(1.0)	64.0
Goodwill	Indefinite	488.4	7.0	495.4
Right of use asset		26.7	0.7	27.4
Other		5.2	(2.3)	2.9
Total assets acquired		$ 1,185.8	$ 0.4	$ 1,186.2
Accounts payable		$ 17.5	$ —	$ 17.5
Deferred revenue (1)		80.6	—	80.6
Accrued payroll		20.7	—	20.7
Accrued income tax and other tax liabilities		17.1	—	17.1
Short-term lease liability		8.4	0.2	8.6
Other current liabilities		23.7	—	23.7
Total current liabilities		168.0	0.2	168.2
Long-term pension and postretirement obligations		65.4	—	65.4
Deferred tax liability		127.6	0.2	127.8
Long-term lease liability		18.2	—	18.2
Other liabilities		0.8	—	0.8
Total liabilities assumed		$ 380.0	$ 0.4	$ 380.4
Total consideration		$ 805.8	$ —	$ 805.8

(1) In the fourth quarter of 2021, we early adopted ASU No. 2021-08, "Business Combinations (Topic 805) Accounting for Contract Assets and Contract Liabilities from Contracts with Customers," retrospectively to all business combinations during 2021. As a result, acquired deferred revenue balances were measured based on the guidance of ASC 606.

The fair value of the reacquired right intangible asset primarily related to rights that were previously granted to Bisnode under the WWN agreement, including rights to sell certain products under the D&B brand name and the right to access D&B database and technology platform. The fair value of reacquired right intangible asset was determined by applying the income approach; specifically, utilizing a multi-period excess earnings method. In addition, as a result of the Bisnode acquisition, we reclassified the net book value of previously recognized WWN relationships intangible asset related to the Bisnode relationship of $64.7 million to reacquired right, which is amortized over 15 years, together with the above-mentioned newly recognized reacquired right.

The fair value of the customer relationships intangible asset was determined by applying the income approach through a discounted cash flow analysis, specifically a multi-period excess earnings method. The valuation was based on the present value of the net earnings attributable to the measured assets.

The database intangible asset represents business and consumer data collected and managed by Bisnode. The technology intangible asset represents Bisnode's data supply and service platform to deliver customer services and solutions. We applied the income approach to value database and technology intangible assets, specifically, a relief from royalty method. The valuation was based on the present value of the net earnings attributable to the measured assets.

The fair values of the acquired assets and liabilities were subject to change within the one-year measurement period. We obtained information to determine the fair values of the net assets acquired at the acquisition date during the measurement period. Since the initial valuation reflected in our financial results as of March 31, 2021, we have adjusted fair value for certain intangible assets based on updated information. An asset and liability was recognized for favorable and unfavorable lease terms, respectively, during the measurement period. In addition, we recorded adjustments to the deferred tax liability reflecting the changes of intangible asset fair value. The above measurement period adjustments to the preliminary valuation of assets and liabilities resulted in a net increase of goodwill of $7.0 million during 2021. We have completed the purchase accounting process as of December 31, 2021.

The value of the goodwill is primarily related to the expected cost synergies and growth opportunity from the combined business. We do not expect goodwill to be deductible for tax purposes.

The intangible assets, with useful lives from 6 to 15 years, are being amortized over a weighted-average useful life of 13.6 years. The customer relationship, technology and database intangible assets are primarily amortized using an accelerating method. Reacquired right is amortized using a straight-line method. The amortization methods reflect the timing of the benefits derived from each of the intangible assets.

See Note 17 for the future amortization as of December 31, 2021 associated with intangible assets recognized as a result of acquisitions.

Unaudited Pro Forma Financial Information

The following pro forma statements of operations data presents the combined results of the Company and the acquired businesses during 2021, assuming that all acquisitions had occurred on January 1, 2020.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Tabular dollar amounts, except share data and per share data, in millions)

	Year ended December 31, 2021	Year ended December 31, 2020
Reported revenue	$ 2,165.6	$ 1,738.7
Pro forma adjustments:		
Pre-acquisition revenue:		
Bisnode	4.6	400.0
Eyeota	31.5	31.5
NetWise	8.4	6.8
Adjustments to Bisnode's pre-acquisition revenue related to revenue received from Dun & Bradstreet Holdings, Inc.	—	(21.0)
Adjustments to Dun & Bradstreet revenue related to revenue received from Bisnode	—	(43.0)
Total pro forma revenue	$ 2,210.1	$ 2,113.0

	Year ended December 31, 2021	Year ended December 31, 2020
Reported net income (loss) attributable to Dun & Bradstreet Holdings, Inc.	$ (71.7)	$ (180.6)
Pro forma adjustments - net of tax effect:		
Pre-acquisition net income:		
Bisnode	0.8	57.2
Eyeota	(0.3)	(0.3)
NetWise	(1.2)	1.2
Intangible amortization - net of tax benefits	(1.1)	(56.8)
Write off related to pre-existing relationship - net of tax benefits	2.3	(2.3)
Transaction costs - net of tax benefits	3.0	3.5
Pro forma net income (loss) attributable to Dun & Bradstreet Holdings, Inc.	$ (68.2)	$ (178.1)

2020 Acquisitions

On January 7, 2020 we acquired a 100% equity interest in Orb Intelligence (“Orb”) for a purchase price of $11.6 million. Orb Intelligence offers a high quality, global database of information, with a focus on building a digital view of businesses' presence.

On March 11, 2020, we acquired substantially all of the assets of coAction.com for a purchase price of $9.6 million, of which $4.8 million was paid upon the close of the transaction and the remaining $4.8 million was paid on September 11, 2020. coAction.com is a leader in revenue cycle management in the Order-to-Cash process, serving mid to large size companies across multiple industries.

The acquisitions were accounted for in accordance with ASC 805, as purchase transactions, and accordingly, the assets and liabilities of both entities were recorded at their estimated fair values at the respective dates of the acquisitions. Transaction costs of $0.2 million were included in selling and administrative expenses in the consolidated statement of operations and comprehensive income (loss) for the year ended December 31, 2020. We have included the financial results of Orb and coAction.com in our consolidated financial statements since their respective acquisition dates, and the results from each of these companies were not individually or in the aggregate material to our consolidated financial statements for the year ended December 31, 2020. We allocated goodwill and intangible assets to our North America segment and completed the purchase accounting process as of December 31, 2020.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Tabular dollar amounts, except share data and per share data, in millions)

The table below reflects the aggregate purchase price related to the acquisitions and the resulting purchase allocation:

	Amortization life (years)	Initial purchase price allocation at March 31, 2020	Measurement period adjustments	Final purchase price allocation at December 31, 2020
Cash		$ 0.5	$ —	$ 0.5
Accounts receivable		0.3	—	0.3
Other		0.2	0.1	0.3
Total current assets		1.0	0.1	1.1
Intangible assets:				
Customer relationships	7	2.4	—	2.4
Technology	11	6.8	—	6.8
Goodwill	Indefinite	10.7	0.2	10.9
Deferred tax asset		0.4	—	0.4
Total assets acquired		$ 21.3	$ 0.3	$ 21.6
Total liabilities assumed		0.2	0.2	0.4
Total purchase price		$ 21.1	$ 0.1	$ 21.2

The fair value of the customer relationships intangible assets was determined by applying the income approach through a discounted cash flow analysis, specifically a multi-period excess earnings method. The valuation was based on the present value of the net earnings attributable to the measured assets.

The fair value of the technology intangible assets was determined by applying the income approach; specifically, a relief from royalty method.

The value of the goodwill is primarily related to the acquired businesses' capability associated with product development which provides opportunity to expand our products and services offerings as well as cost synergy generated from the combined business. The intangible assets are amortized using a straight-line method. The amortization method reflects the timing of the benefits derived from each of the intangible assets.

The goodwill acquired was partially deductible for tax purposes.

2019 Acquisition

On July 1, 2019, the Company acquired a 100% ownership interest in Lattice Engines, Inc. ("Lattice"). Lattice is an artificial intelligence powered customer data platform, enabling business-to-business organizations to scale their account-based marketing and sales programs across every channel. The results of Lattice have been included in our consolidated financial statements since the date of acquisition. We had finalized the purchase allocation as of March 31, 2020 and there were no changes compared to the amounts recorded as of December 31, 2019. In connection with the acquisition of Lattice, the Company received capital funding of $100 million from Parent's partners.

The acquisition was accounted for in accordance with ASC 805. The acquisition was valued at $127 million. Transaction costs of $0.6 million were included in selling and administrative expenses in the consolidated statement of operations and comprehensive income (loss) for the period from January 1, 2019 to December 31, 2019. The acquisition was accounted for as a purchase transaction, and accordingly, the assets and liabilities of the acquired entity were recorded at their estimated fair values at the date of the acquisition.

(Tabular dollar amounts, except share data and per share data, in millions)

The table below reflects the purchase price related to the acquisition and the resulting purchase allocation:

	Amortization life (years)	Initial purchase price allocation at September 30, 2019	Measurement period adjustments	Final purchase price allocation at March 31, 2020
Cash		$ 0.1	$ —	$ 0.1
Accounts receivable		1.9	—	1.9
Other		0.7	—	0.7
Total current assets		2.7	—	2.7
Intangible assets:				
Customer relationships	11	25.1	(10.6)	14.5
Technology	14	48.0	(0.6)	47.4
Goodwill		43.0	12.2	55.2
Deferred tax asset		18.4	(0.9)	17.5
Other assets		0.7	(0.2)	0.5
Total assets acquired		$ 137.9	$ (0.1)	$ 137.8
Deferred revenue		$ 6.5	$ —	$ 6.5
Other liabilities		4.4	(0.1)	4.3
Total liabilities assumed		10.9	(0.1)	10.8
Total purchase price		$ 127.0	$ —	$ 127.0

The fair value of the client relationships intangible assets was determined by applying the income approach through a discounted cash flow analysis, specifically a multi-period excess earnings method. The valuation was based on the present value of the net earnings attributable to the measured asset.

The technology intangible asset represents Lattice's premier client data platform to deliver client services and solutions. The fair value of this intangible asset was determined by applying the income approach; specifically, a relief from royalty method.

The fair value of the deferred revenue was determined based on estimated direct costs to fulfill the related obligations, plus a reasonable profit margin based on selected peer companies' margins as a benchmark.

The value of the goodwill is primarily related to Lattice's capability associated with product development which provides potential growth opportunity in the Sales & Marketing space as well as cost synergy generated from the combined business. The intangible assets are amortized using a straight-line method. The amortization method reflects the timing of the benefits derived from each of the intangible assets.

The goodwill acquired was not deductible for tax purposes.

(Tabular dollar amounts, except share data and per share data, in millions)

Unaudited Pro Forma Financial Information

The following pro forma statements of operations data presents the combined results of the Company and Lattice, assuming that the acquisition had occurred on January 1, 2018.

	Successor	Predecessor	
	Period from January 1 to December 31, 2019	Period from January 1 to February 7, 2019	Year ended December 31, 2018
Reported revenue	$ 1,439.0	$ 178.7	$ 1,716.4
Lattice revenue - pre-acquisition revenue	11.1	2.9	25.1
Add: deferred revenue adjustment	2.4	—	(4.8)
Total pro forma revenue	$ 1,452.5	$ 181.6	$ 1,736.7
Reported net income (loss) attributable to Dun & Bradstreet Holdings, Inc. (Successor)/The Dun & Bradstreet Corporation (Predecessor)	$ (674.1)	$ (75.6)	$ 288.1
Pro forma adjustments - net of tax effect			
Pre-acquisition net loss	(19.7)	(1.0)	(13.1)
Intangible amortization - net of tax benefits	(1.4)	(0.4)	(3.6)
Deferred revenue adjustment - net of tax benefits	1.8	—	(3.6)
Transaction costs - net of tax benefits	0.4	—	(0.4)
Pro forma net income (loss) attributable to Dun & Bradstreet Holdings, Inc. (Successor) / The Dun & Bradstreet Corporation (Predecessor)	$ (693.0)	$ (77.0)	$ 267.4

Note 17 -- Supplemental Financial Data

Other Non-Current Assets

	December 31, 2021	December 31, 2020
Right of use assets (1)	$ 71.9	$ 64.8
Prepaid pension assets (2)	36.6	4.3
Investments	27.2	27.3
Other non-current assets (3)	36.9	16.2
Total	$ 172.6	$ 112.6

(1) See Note 7 to the consolidated financial statements for further detail.

(2) Change from prior year reflected higher over-funded status for certain pension plans primarily due to higher discount rates in 2021.

(3) Higher other non-current assets were due to higher business activities including acquisitions closed in 2021.

(Tabular dollar amounts, except share data and per share data, in millions)

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Other Accrued and Current Liabilities:

	December 31, 2021	December 31, 2020
Accrued operating costs (1)	$ 110.4	$ 75.7
Accrued interest expense	12.6	29.0
Short-term lease liability (2)	26.0	23.4
Accrued income tax	16.4	3.9
Other accrued liabilities (3)	32.9	23.0
Total	$ 198.3	$ 155.0

(1) Higher accrual was primarily due to higher business activity resulting from acquisitions that closed in 2021 and a higher legal reserve related to a regulatory matter. See Note 8 for detail discussion.

(2) See Note 7 to the consolidated financial statements for further detail.

(3) Higher accrual was primarily due to higher business activity resulting from acquisitions that closed in 2021.

Other Non-Current Liabilities:

	December 31, 2021	December 31, 2020
Deferred revenue - long term	$ 13.7	$ 14.6
U.S. tax liability associated with the 2017 Act	44.6	49.8
Long-term lease liability (1)	59.4	62.5
Liabilities for unrecognized tax benefits	19.2	18.9
Other	7.8	8.6
Total	$ 144.7	$ 154.4

(1) See Note 7 to the consolidated financial statements for further detail.

Property, Plant and Equipment - Net:

	December 31, 2021	December 31, 2020
Land	$ 7.7	$ —
Building and building improvement	$ 61.8	$ —
Less: accumulated depreciation	0.7	—
Net building and building improvement	$ 61.1	$ —
Furniture and equipment	$ 38.2	$ 24.4
Less: accumulated depreciation	19.5	9.5
Net furniture and equipment	$ 18.7	$ 14.9
Leasehold improvements	$ 16.6	$ 15.6
Less: accumulated depreciation	7.3	4.8
Net leasehold improvements	$ 9.3	$ 10.8
Property, plant and equipment - net	$ 96.8	$ 25.7

(Tabular dollar amounts, except share data and per share data, in millions)

Property, plant and equipment depreciation and amortization expense for the year ended December 31, 2021 (Successor), the year ended December 31, 2020 (Successor), the period from January 1, 2019 to December 31, 2019 (Successor) and the period from January 1, 2019 to February 7, 2019 (Predecessor) was $11.9 million, $9.5 million, $8.4 million and $1.1 million, respectively. We also recorded impairment charges of $0.2 million and $4.4 million included in selling and administrative expenses in the consolidated statement of operations and comprehensive income (loss) for the year ended December 31, 2021 (Successor) and the year ended December 31, 2020 (Successor), respectively, primarily related to leasehold improvements for offices we ceased to occupy.

On June 30, 2021, we completed the purchase of an office building in Jacksonville, Florida for our new global headquarters office, with a purchase price of $76.6 million, paid with cash on hand, inclusive of transaction costs of $0.1 million. The transaction was accounted for as an asset acquisition. Total costs of the acquisition were allocated to tangible assets (e.g., land and building) and in-place lease intangible asset based on their relative fair values. The fair values of the land and building are measured as if the building was vacant. The approaches used to value the building components include the cost, sales comparison, and income capitalization approaches. The table below summarizes the allocation of the total purchase price.

	Weighted average amortization period (years)	Purchase price allocation
Land	Indefinite	$ 7.7
Building	53	57.3
Site improvements	14	2.0
Tenant improvements	9	2.5
In place lease intangibles (1)	9	7.1
Total		$ 76.6

(1) Related to the acquired lease arrangement, reflecting value associated with avoiding the costs of originating an acquired lease.

Computer Software and Goodwill:

	Computer software	Goodwill
Successor:		
December 31, 2019	$ 382.2	$ 2,841.7
Acquisition (4)	—	10.9
Additions at cost (1)	114.5	—
Amortization	(71.4)	—
Write-off	(1.0)	—
Other (2)	12.7	5.3
December 31, 2020	$ 437.0	$ 2,857.9
Acquisition (3)	79.3	675.6
Additions at cost (1) (7)	173.9	—
Amortization	(113.3)	—
Write-off	(4.3)	—
Other (2)	(15.2)	(40.2)
December 31, 2021	$ 557.4	$ 3,493.3

The computer software amortization expense was $50.6 million for the period from January 1, 2019 to December 31, 2019 (Successor) and $6.8 million for the period from January 1, 2019 to February 7, 2019 (Predecessor).

(Tabular dollar amounts, except share data and per share data, in millions)

Other Intangibles:

	Customer relationships	Reacquired rights	Database	Other indefinite-lived intangibles	Other intangibles	Total
December 31, 2019	$ 2,162.7	$ —	$ 1,550.6	$ 1,275.8	$ 265.4	$ 5,254.5
Acquisitions (4)	2.4	—	—		6.8	9.2
Additions at cost	—	—	0.1	—	0.7	0.8
Amortization	(255.2)	—	(181.3)	—	(20.4)	(456.9)
Other (2)	3.0	—	—	—	4.2	7.2
December 31, 2020 (5)	$ 1,912.9	$ —	$ 1,369.4	$ 1,275.8	$ 256.7	$ 4,814.8
Acquisitions (3)	147.8	270.0	113.2	—	1.4	532.4
Additions at cost (6)	—	—	—	4.2	7.6	11.8
Amortization	(259.0)	(26.6)	(188.6)	—	(16.5)	(490.7)
WWN Relationship transfer (8)	—	64.7	—	—	(64.7)	—
Other (2)	(8.4)	(23.4)	(8.9)	—	(3.1)	(43.8)
December 31, 2021 (5)	$ 1,793.3	$ 284.7	$ 1,285.1	$ 1,280.0	$ 181.4	$ 4,824.5

(1) Primarily related to software-related enhancements on products.

(2) Primarily due to the impact of foreign currency fluctuations.

(3) Related to the acquisitions of Bisnode, Eyeota and NetWise.

(4) Related to the acquisition of Orb Intelligence and coAction.com.

(5) Customer Relationships—Net of accumulated amortization of $755.1 million and $497.0 million as of December 31, 2021 and as of December 31, 2020, respectively.
Database—Net of accumulated amortization of $540.4 million and $352.7 million as of December 31, 2021 and as of December 31, 2020, respectively.
Other Intangibles —Net of accumulated amortization of $44.2 million and $37.8 million as of December 31, 2021 and as of December 31, 2020, respectively.

(6) Primarily related to the in-place lease intangibles of $7.1 million recognized associated with the building purchase for our new global headquarters office and an acquired indefinite-lived intangible asset of $4.2 million.

(7) Including $7.9 million non-cash investment of which $0.9 million, $2.5 million and $4.5 million were reflected in "Other accrued and short-term liability", "Other non-current liability" and "Deferred income tax", respectively, as of December 31, 2021.

(8) Reclassification of the net book value of previously recognized WWN relationships intangible asset related to the Bisnode relationship to reacquired rights as a result of the Bisnode acquisition.

The other intangibles amortization expense for the period from January 1, 2019 to December 31, 2019 (Successor) was $428.1 million and $3.2 million for the period from January 1, 2019 to February 8, 2019 (Predecessor).

The table below sets forth the future amortization as of December 31, 2021 associated with computer software and other intangibles:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Tabular dollar amounts, except share data and per share data, in millions)

	2022	2023	2024	2025	2026	Thereafter	Total
Reacquired rights	$ 22.3	$ 22.3	$ 22.3	$ 22.3	$ 22.3	$ 173.2	$ 284.7
Computer software	135.5	133.1	109.9	78.4	39.8	60.8	557.5
Customer relationship	243.8	225.8	207.6	189.5	171.5	755.1	1,793.3
Database	177.0	163.6	150.0	136.0	122.5	536.0	1,285.1
Other Intangibles	16.9	16.8	16.3	16.3	16.2	98.9	181.4
Total	$ 595.5	$ 561.6	$ 506.1	$ 442.5	$ 372.3	$ 1,624.0	$ 4,102.0

Allowance for Credit Risks:

Predecessor:	
December 31, 2018	$ 14.1
Additions charged to costs and expenses	0.7
Write-offs	(0.6)
Recoveries	0.2
Other	0.2
February 7, 2019	$ 14.6
Successor:	
January 1, 2019	$ —
Additions charged to costs and expenses	5.4
Write-offs	(0.4)
Recoveries	2.5
Other	0.1
December 31, 2019	$ 7.6
Additions charged to costs and expenses	8.1
Write-offs	(5.8)
Recoveries	1.8
Other	(0.3)
December 31, 2020	$ 11.4
Additions charged to costs and expenses	12.3
Write-offs	(8.3)
Recoveries	1.4
Other	(0.3)
December 31, 2021	$ 16.5

(Tabular dollar amounts, except share data and per share data, in millions)

Deferred Tax Asset Valuation Allowance:

Predecessor:		
December 31, 2018	$	34.4
Additions charged (credited) to costs and expenses		—
Additions charged (credited) due to foreign currency fluctuations		—
Additions charged (credited) to other accounts		—
February 7, 2019	$	34.4
Successor:		
January 1, 2019	$	—
Acquisition		60.8
Additions charged (credited) to costs and expenses		(27.2)
Additions charged (credited) due to foreign currency fluctuations		0.2
January 1, 2020	$	33.8
Additions charged (credited) to costs and expenses		0.5
Additions charged (credited) due to foreign currency fluctuations		2.3
Additions charged (credited) to other accounts		—
December 31, 2020	$	36.6
Additions charged (credited) to costs and expenses		4.2
Additions charged (credited) due to foreign currency fluctuations		(1.6)
Additions charged (credited) to other accounts		0.2
December 31, 2021	$	39.4

Other Income (Expense) — Net

Other income (expense) - net was as follows:

	Successor			Predecessor
	Year ended December 31, 2021	Year ended December 31, 2020	Period from January 1 to December 31, 2019	Period from January 1 to February 7, 2019
Non-operating pension income (expense) (1)	$ 53.7	$ 46.2	$ 36.5	$ (85.7)
Change in fair value of make-whole derivative liability (2)	—	(32.8)	(172.4)	—
Debt redemption premium (3)	(29.5)	(50.1)	—	—
Miscellaneous other income (expense) – net (4)	(9.3)	25.1	(17.6)	(0.3)
Other income (expense) – net	$ 14.9	$ (11.6)	$ (153.5)	$ (86.0)

(1) Higher non-operating pension income for the year ended December 31, 2021 compared to the year ended December 31, 2020 was primarily driven by lower interest cost.

Higher non-operating pension income for the year ended December 31, 2020 compared to the period from January 1, 2019 to December 31, 2019 was primarily driven by lower interest cost and higher expected asset return. Higher non-operating pension expense for the period from January 1, 2019 to February 7, 2019 was due to a non-recurring pension settlement charge of $85.8 million related to the then-existing U.S. Non-Qualified plans.

(2) Related to the make-whole provision associated with the Series A Preferred Stock. See Note 1 to the consolidated financial statements.

(3) See Note 6 to the consolidated financial statements.

(Tabular dollar amounts, except share data and per share data, in millions)

(4) The change in Miscellaneous Other Income - net for the year ended December 31, 2021 compared to the year ended December 31, 2020 was primarily driven by a gain recorded in the prior year associated with the change in fair value related to the foreign currency collar we entered into in connection with the Bisnode acquisition and higher foreign currency exchange gains in the prior year related to the revaluation of our intercompany loans.

The increase in Miscellaneous Other Expense - net for the year ended December 31, 2020 compared to each of the prior periods was primarily driven by the change in fair value related to the foreign currency collar we entered into in connection with the Bisnode acquisition and higher foreign currency exchange gains in 2020 related to the revaluation of our intercompany loans.

Note 18 -- Segment Information

Our segment disclosure is intended to provide the users of our consolidated financial statements with a view of the business that is consistent with management of the Company.

We manage our business and report our financial results through the following two segments:

- North America offers Finance & Risk and Sales & Marketing data, analytics and business insights in the United States and Canada; and
- International offers Finance & Risk and Sales & Marketing data, analytics and business insights directly in the U.K., Europe, Greater China and India and indirectly through our WWN alliances.

On January 8, 2021, we acquired 100% ownership of Bisnode and in November 2021, we acquired 100% ownership of Eyeota and NetWise (together "Eyeota/NetWise"). See Note 16 for further discussion. Financial results of Bisnode and Eyeota/NetWise have been included in our International segment and North America segment, respectively, since the respective acquisition dates,

We use EBITDA as the primary profitability measure for making decisions regarding ongoing operations. We define adjusted EBITDA as net income (loss) attributable to Dun & Bradstreet Holdings, Inc. (Successor)/The Dun & Bradstreet Corporation (Predecessor) excluding the following items: (i) depreciation and amortization; (ii) interest expense and income; (iii) income tax benefit or provision; (iv) other non-operating expenses or income; (v) equity in net income of affiliates; (vi) net income attributable to non-controlling interests; (vii) dividends allocated to preferred stockholders; (viii) other incremental or reduced expenses and revenue from the application of purchase accounting (e.g. commission asset amortization and acquisitions); (ix) equity-based compensation; (x) restructuring charges; (xi) merger and acquisition-related operating costs; (xii) transition costs primarily consisting of non-recurring expenses associated with transformational and integration activities, as well as incentive expenses associated with our synergy program; (xiii) legal reserve and costs associated with significant legal and regulatory matters; and (xiv) asset impairment. Our client solution sets are Finance & Risk and Sales & Marketing. Inter-segment sales are immaterial, and no single client accounted for 10% or more of our total revenue.

	Successor			Predecessor
	Year ended December 31, 2021	Year ended December 31, 2020	Period from January 1 to December 31, 2019	Period from January 1 to February 7, 2019
Revenue:				
North America	$ 1,499.4	$ 1,460.0	$ 1,317.5	$ 148.2
International	671.0	299.8	260.4	30.5
Corporate and other (1)	(4.8)	(21.1)	(138.9)	—
Consolidated total	$ 2,165.6	$ 1,738.7	$ 1,439.0	$ 178.7

(1) Corporate and other includes revenue adjustment of $4.8 million recorded in accordance with GAAP to the International segment due to the timing of the completion of the Bisnode acquisition for the year ended December 31, 2021, deferred revenue purchase accounting adjustments recorded in accordance with GAAP related to the Take-Private Transaction and acquisitions of $21.1 million for the year ended December 31, 2020 and $138.9 million for the period from January 1, 2019 to December 31, 2019.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Tabular dollar amounts, except share data and per share data, in millions)

	Successor			Predecessor
	Year ended December 31, 2021	Year ended December 31, 2020	Period from January 1 to December 31, 2019	Period from January 1 to February 7, 2019
Adjusted EBITDA				
North America	$ 715.3	$ 696.2	$ 629.9	$ 60.4
International	194.1	91.0	87.8	12.5
Corporate and other (1)	(62.3)	(75.8)	(212.6)	(9.3)
Consolidated total	$ 847.1	$ 711.4	$ 505.1	$ 63.6
Depreciation and amortization	(615.9)	(537.8)	(487.1)	(11.1)
Interest expense - net	(205.7)	(270.4)	(301.0)	(5.2)
Dividends allocated to preferred stockholders	—	(64.1)	(114.0)	—
Benefit (provision) for income taxes	(23.4)	112.4	118.3	27.5
Other income (expense) - net	14.9	(11.6)	(153.5)	(86.0)
Equity in net income of affiliates	2.7	2.4	4.2	0.5
Net income (loss) attributable to non-controlling interest	(5.8)	(4.9)	(6.4)	(0.8)
Other incremental or reduced expenses and revenue from the application of purchase accounting	12.9	18.8	21.2	—
Equity-based compensation	(33.3)	(45.1)	(11.7)	(11.7)
Restructuring charges	(25.1)	(37.3)	(52.3)	(0.1)
Merger and acquisition-related operating costs	(14.1)	(14.1)	(161.1)	(52.0)
Transition costs	(11.6)	(31.9)	(32.3)	(0.3)
Legal reserve associated with significant legal and regulatory matters	(12.8)	(3.9)	0.2	—
Asset impairment	(1.6)	(4.5)	(3.7)	—
Net income (loss) attributable to Dun & Bradstreet Holdings, Inc. (Successor) / The Dun & Bradstreet Corporation (Predecessor)	$ (71.7)	$ (180.6)	$ (674.1)	$ (75.6)

(1) Corporate and other includes revenue adjustment of $4.8 million recorded in accordance with GAAP to the International segment due to the timing of the completion of the Bisnode acquisition for the year ended December 31, 2021, deferred revenue purchase accounting adjustments recorded in accordance with GAAP related to the Take-Private Transaction and acquisitions of $21.1 million for the year ended December 31, 2020 and $138.9 million for the period from January 1, 2019 to December 31, 2019.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Tabular dollar amounts, except share data and per share data, in millions)

	Successor			Predecessor
	Year ended December 31, 2021	Year ended December 31, 2020	Period from January 1 to December 31, 2019	Period from January 1 to February 7, 2019
Depreciation and amortization:				
North America	$ 60.2	$ 46.3	$ 36.1	$ 5.8
International	12.1	8.3	6.2	1.5
Total segments	72.3	54.6	42.3	7.3
Corporate and other (1)	543.6	483.2	444.8	3.8
Consolidated total	$ 615.9	$ 537.8	$ 487.1	$ 11.1
Capital expenditures:				
North America (2)	$ 81.1	$ 1.9	$ 9.5	$ 0.2
International	5.1	5.8	1.9	0.1
Total segments	86.2	7.7	11.4	0.3
Corporate and other	0.1	0.1	1.0	(0.1)
Consolidated total	$ 86.3	$ 7.8	$ 12.4	$ 0.2
Additions to computer software and other intangibles:				
North America (3)	$ 144.0	$ 107.4	$ 48.8	$ 4.3
International	25.8	6.4	6.5	0.8
Total segments	169.8	113.8	55.3	5.1
Corporate and other	0.9	1.4	2.1	—
Consolidated total	$ 170.7	$ 115.2	$ 57.4	$ 5.1

(1) Depreciation and amortization for Corporate and other includes incremental amortization resulting from the Take-Private Transaction and recent acquisitions.
(2) The increase in capital expenditures for North America was primarily due to the $76.6 million purchase of an office building for our new global headquarters office in June 2021. See Note 17 for further discussion.
(3) In-place lease intangibles of $7.1 million for the year ended December 31, 2021 related to the building purchase for our new global headquarters office are included in capital expenditures. See Note (2) above.

(Tabular dollar amounts, except share data and per share data, in millions)

Supplemental Geographic and Customer Solution Set Information:

	December 31, 2021	December 31, 2020
Assets:		
North America	$ 8,232.2	$ 8,522.9
International	1,765.0	697.4
Consolidated total	$ 9,997.2	$ 9,220.3
Goodwill:		
North America	$ 2,928.4	$ 2,745.5
International	564.9	112.4
Consolidated total	$ 3,493.3	$ 2,857.9
Other intangibles:		
North America	$ 4,186.2	$ 4,534.5
International	638.3	280.3
Consolidated total	$ 4,824.5	$ 4,814.8
Other long-lived assets (excluding deferred income tax):		
North America	$ 713.4	$ 562.9
International	229.5	96.2
Consolidated total	$ 942.9	$ 659.1
Total long-lived assets	$ 9,260.7	$ 8,331.8

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Continued
(Tabular dollar amounts, except share data and per share data, in millions)

Customer Solution Set Revenue	Successor: Year ended December 31, 2021	Successor: Year ended December 31, 2020	Successor: Period from January 1 to December 31, 2019	Predecessor: Period from January 1 to February 7, 2019
North America (1):				
Finance & Risk	$ 834.7	$ 811.2	$ 729.1	$ 80.4
Sales & Marketing	664.7	648.8	588.4	67.8
Total North America	$ 1,499.4	$ 1,460.0	$ 1,317.5	$ 148.2
International:				
Finance & Risk	$ 430.3	$ 244.0	$ 210.4	$ 24.2
Sales & Marketing	240.7	55.8	50.0	6.3
Total International	$ 671.0	$ 299.8	$ 260.4	$ 30.5
Corporate and other:				
Finance & Risk	$ (2.2)	$ (10.8)	$ (82.9)	$ —
Sales & Marketing	(2.6)	(10.3)	(56.0)	—
Total Corporate and other	$ (4.8)	$ (21.1)	$ (138.9)	$ —
Total Revenue:				
Finance & Risk	$ 1,262.8	$ 1,044.4	$ 856.6	$ 104.6
Sales & Marketing	902.8	694.3	582.4	74.1
Total Revenue	$ 2,165.6	$ 1,738.7	$ 1,439.0	$ 178.7

(1) Substantially all of the North America revenue is attributable to the United States.

Note 19 -- Related Parties

The following sets forth certain transactions and agreements in which the Company and our affiliates, executive officers and certain directors are involved.

After the completion of the Take-Private Transaction on February 8, 2019, our parent entity was collectively controlled by entities affiliated with Bilcar, LLC ("Bilcar"), Thomas H. Lee Partners, L.P. ("THL"), Cannae Holdings, Inc. ("Cannae Holdings"), Black Knight, Inc. ("Black Knight") and CC Capital Partners LLC ("CC Capital"), collectively the "Investor Consortium." Subsequent to the close of the IPO and the concurrent private placement on July 6, 2020 (see Note 1 for further discussion), the Investor Consortium continues to be able to exercise significant voting influence over fundamental and significant corporate matters and transactions by their ability to designate five members of our board of directors.

Our Chief Executive Officer Anthony Jabbour also serves as the Chairman and Chief Executive Officer of Black Knight and a member of the board of directors of Paysafe Limited ("Paysafe"). On February 15, 2022, Black Knight announced that Mr. Jabbour would transition to Executive Chairman and no longer serve as Black Knight’s Chief Executive Officer effective as of May 16, 2022. Stephen C. Daffron, co-founder of Motive Partners, served as our President and Chief Operating Officer until May 2021. Additionally, William P. Foley II, our Chairman of the board, also serves as Chairman of Cannae Holdings and formerly served as Chairman of Black Knight. Richard N. Massey, a member of the Company’s board of directors, serves as Chief Executive Officer and as a director of Cannae Holdings. Certain of our key employees have dual responsibilities among the Investor Consortium.

In June 2021, we entered into a five-year agreement with Black Knight. Pursuant to the agreement, D&B will receive total data license fees of approximately $24 million over a five-year period. Also over the five-year period, Black Knight is engaged to provide certain products and data, as well as professional services for an aggregate fee of approximately $34 million. In addition, D&B and Black Knight will jointly market certain solutions and data. The agreement was approved by our Audit Committee. We recognized $4.5 million of revenue for the year ended December 31, 2021 and operating expenses of

$1.9 million for the year ended December 31, 2021. As of December 31, 2021, we included a receivable from Black Knight of $0.2 million within "Accounts receivable" and a liability to Black Knight of $3.4 million, of which $0.9 million was within "Other accrued and current liabilities" and $2.5 million was within "Other non-current liabilities."

In September 2021, we entered into a 10-year agreement with Paysafe. Pursuant to the agreement, D&B will provide data license and risk management solution services to Paysafe. The agreement is cancellable by either party without penalty at each annual anniversary of the contract effective date by providing written notice not less than 90 days prior to the anniversary date. The agreement was approved by our Audit Committee. In connection with the agreements associated with Paysafe, we recognized revenue of $4.5 million for the year ended December 31, 2021, and operating expenses of $1.2 million for the year ended December 31, 2021. As of December 31, 2021, we included a receivable from Paysafe of $4.1 million within "Accounts receivable" and a liability to Paysafe of $1.2 million within "Other accrued and current liabilities."

In November 2020, we entered into a consulting service agreement with Black Knight. The agreement is cancellable upon mutual agreement. Pursuant to the agreement, Black Knight provides the Company consulting services, in exchange for fees in an amount equal to Black Knight's cost plus 10 percent markup. We recorded $0.1 million consulting fees to Black Knight for the year ended December 31, 2021.

On January 1, 2020, the Company entered into a three-year service agreement with Trasimene Capital Management, LLC (the “Advisor”), an entity affiliated with Cannae Holdings, and controlled by Mr. Foley. The agreement is subject to renewal. Pursuant to the agreement, the Advisor provides the Company strategic advisory services, in exchange for transaction fees that are calculated based on 1% of the value of each transaction for which the Advisor performs services. Under the service agreement, the Company is also obligated to reimburse the reasonable and documented out-of-pocket expenses incurred by the Advisor. We incurred costs of $0.4 million for transaction fees to the Advisor for the year ended December 31, 2020.

In connection with the IPO transaction, the Originating Sponsors agreed to waive certain anti-dilution rights they had pursuant to the Star Parent Partnership Agreement and to terminate such provision following the offering. In exchange for such waiver and termination, we made a payment of $30.0 million to the Originating Sponsors upon the closing of the IPO transaction on July 6, 2020. In addition, on June 30, 2020, each of Mr. Foley and Mr. Chu received options to purchase 2,080,000 shares of our common stock at an exercise price equal to the initial public offering price. The options were fully vested upon grant. The options were valued at $20.0 million, which was reflected in Selling and Administrative Expenses for the year ended December 31, 2020.

In connection with and immediately subsequent to the closing of the IPO, a subsidiary of Cannae Holdings, a subsidiary of Black Knight and affiliates of CC Capital purchased a total of 18,458,700 shares of common stock from us in a private placement at a price per share equal to 98.5% of the IPO price of $22.00 per share for proceeds of $200.0 million, $100.0 million and $100.0 million, respectively.

On February 8, 2019, the Company entered into a services agreement with MVB Management, LLC ("MVB"), an entity affiliated with William P. Foley II, who is affiliated with Bilcar, and Chinh E. Chu, who is affiliated with CC Capital, and THL Managers VIII, LLC ("THL Managers"), an entity affiliated with THL, pursuant to which MVB and THL Managers provided services in connection with the Take-Private Transaction. The Company paid a total fee of $29.1 million to MVB under the agreement upon the close of the Take-Private Transaction, which we included as "selling and administrative expenses" in the Successor’s statement of operations and comprehensive income (loss) for the period from January 1, 2019 to December 31, 2019. Under the services agreement, the Company must reimburse the reasonable and documented out-of-pocket expenses incurred by MVB and THL Managers in performing the ongoing services. The Company has made no payments pursuant to the reimbursement provision during the year ended December 31, 2020 and the period from January 1, 2019 to December 31, 2019. The reimbursement provision was terminated following the IPO transaction. Also in connection with the IPO transaction, we paid fees of $2.5 million each to THL Managers and entities affiliated with William P. Foley II and Chinh E. Chu (Bilcar and CC Star Holdings, LP, respectively) for services provided prior to the IPO.

Pursuant to the equity commitment fee letter entered into on February 8, 2019 with THL Managers and Cannae Holdings, each committed to provide certain funding to Parent in connection with the Take-Private Transaction for which THL Managers and Cannae Holdings received a fee of $7.5 million and $12.0 million, respectively. These fees reduced the proceeds from capital contribution to the Company made in February 2019.

Pursuant to the Star Parent, L.P. Partnership Agreement, an entity jointly controlled by affiliates of CC Capital and Bilcar (the "Originating Sponsors") was granted 6,817.7428 Class B profits interest units of Parent, which were valued at $17.3 million and were included as "selling and administrative expenses" in the Successor's statement of operations and comprehensive income (loss) for the period from January 1, 2019 to December 31, 2019. Pursuant to the Star Parent, L.P. Partnership Agreement, the Originating Sponsors also received 15,867.8087 Class C profits interest units of Parent upon the close of the Take-Private Transaction. The units were valued at approximately $37.9 million and included within "selling and administrative expenses" in the consolidated statement of operations and comprehensive income (loss) for the period from January 1, 2019 to December 31, 2019 (Successor).

Upon the close of the Take-Private Transaction, Motive Partners received $0.6 million related to due diligence consulting services pursuant to a services agreement between Parent and Motive Partners.

In August 2019, the Company entered into a five-year lease agreement with Motive Partners related to the office space for the Company's London sales office starting August 1, 2019. This lease was terminated in June 2020 with a termination fee of $0.1 million. We recorded total lease costs of $1.0 million for the year ended December 31, 2020. In December 2019, the Company entered into a one-year lease agreement with Motive Partners for operations in New York starting January 1, 2020. Total payments over the one-year lease term aggregate to approximately $0.2 million.

In the normal course of business, we reimburse affiliates for certain travel costs incurred by Dun & Bradstreet Holdings, Inc. executives and board members.

(Tabular dollar amounts, except share data and per share data, in millions)

Note 20 -- Contractual Obligations

Technology, Data and Other Service Agreements

We have various contractual commitments in the normal course of business primarily related to information technology and data processing service, technology support for product application development and global system maintenance. The purchase obligation as of December 31, 2021 is approximately $1,563 million.

Worldwide Network Alliance Agreements

We have entered into commercial service agreements with our third-party Worldwide Network Alliances with various terms ranging from five to 10 years. These agreements provide us access to certain international data and services from our partners in order to serve our global clients. Effective January 1, 2020, we renegotiated our agreements with our Worldwide Network Alliances, which expanded our buying capacity. At December 31, 2021, total payments to our Worldwide Network Alliances over the remaining terms of all agreements aggregate to approximately $474 million.

The following table quantifies our future contractual obligations as discussed above as of December 31, 2021:

	2022	2023	2024	2025	2026	Thereafter	Total
Commitments to purchase obligations	$ 317.6	$ 249.7	$ 204.9	$ 194.8	$ 204.9	$ 864.8	$ 2,036.7

The table above excludes our obligations with respect to debt, leases, contingent liabilities, unrecognized tax benefits and pension obligations for which funding requirements are uncertain. Our obligations with respect to debt, leases, contingent liabilities, unrecognized tax benefits, and pension and postretirement medical benefit plans are described in Notes 6, 7, 8, 9 and 10, respectively to our consolidated financial statements.

(Tabular dollar amounts, except share data and per share data, in millions)

Note 21 -- Quarterly Financial Data (Unaudited)

Our quarterly financial statements are prepared on the same basis as the audited annual financial statements, and include all adjustments necessary for the fair statement of our results of operations for these periods.

	For the Three Months Ended			
	March 31,	June 30,	September 30,	December 31,
2021				
Revenue	$ 504.5	$ 520.9	$ 541.9	$ 598.3
Operating income (loss)	$ 8.3	$ 26.9	$ 49.5	$ 60.9
Net income (loss) (1)	$ (23.3)	$ (50.8)	$ 18.2	$ (10.0)
Net (income) loss attributable to the non-controlling interest	$ (1.7)	$ (0.9)	$ (1.6)	$ (1.6)
Net income (loss) attributable to Dun & Bradstreet Holdings, Inc.	$ (25.0)	$ (51.7)	$ 16.6	$ (11.6)

(1) Includes an expense within non-operating expense-net of $29.5 million and $12.5 million in the three months ended December 31, 2021 related to the early redemption premium paid and the write-off of the associated debt issuance cost and discount, respectively, as a result of the partial redemption of our senior secured and unsecured notes (see Note 6).

	For the Three Months Ended			
	March 31,	June 30,	September 30,	December 31,
2020				
Revenue (1)	$ 395.7	$ 418.7	$ 444.4	$ 479.9
Operating income (loss) (2)	$ (7.2)	$ (2.3)	$ 45.5	$ 19.6
Net income (loss) (3)(4)	$ 74.3	$ (174.7)	$ (14.3)	$ 3.1
Net (income) loss attributable to the non-controlling interest	$ (0.4)	$ (1.2)	$ (2.0)	$ (1.3)
Net income (loss) attributable to Dun & Bradstreet Holdings, Inc.	$ 41.9	$ (208.0)	$ (16.3)	$ 1.8

(1) Includes a reduction of revenue of $17.4 million for the three months ended March 31, 2020 due to deferred revenue purchase accounting adjustment in connection with the Take-Private Transaction.

(2) Included within selling and administrative expenses is an expense of $20.0 million for the three months ended June 30, 2020, related to stock option expense in connection with the IPO.

(3) Includes an expense within non-operating expense-net of $41.3 million and $25.5 million in the three months ended June 30, 2020 and September 30, 2020, respectively, related to the premium paid and the write-off of the associated debt issuance cost and discount as a result of the partial redemption of our senior secured and unsecured notes (see Note 6).

(4) Includes within non-operating expense-net a gain of $69.8 million for the three months ended March 31, 2020, and an expense of $102.6 million for the three months ended June 30, 2020 related to the change in fair value of make-whole derivative liability.

Note 22 -- Subsequent Events

Effective January 18, 2022, we amended our credit agreement dated February 8, 2019, specifically related to the Term Loan Facility, to establish Incremental Term Loans in an aggregate principal amount of $460 million. We used the proceeds of such Incremental Term Loans to redeem our outstanding $420 million in aggregate principal amount of our 6.875% Senior Secured Notes due 2026 and pay related fees, costs, premiums and expenses. See Note 6 for further discussion.