

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

Filing Date: **2016-11-10** | Period of Report: **2016-11-03**
SEC Accession No. [0001185185-16-005714](#)

([HTML Version](#) on [secdatabase.com](#))

FILER

Quadrant 4 System Corp

CIK:[878802](#) | IRS No.: [650254624](#) | State of Incorp.:[IL](#) | Fiscal Year End: [1231](#)
Type: [8-K](#) | Act: [34](#) | File No.: [033-42498](#) | Film No.: [161989134](#)
SIC: [3669](#) Communications equipment, nec

Mailing Address

*1501 E. WOODFIELD ROAD,
SUITE 205 S
SCHAUMBURG IL 60173*

Business Address

*1501 E. WOODFIELD ROAD,
SUITE 205 S
SCHAUMBURG IL 60173
732-798-3000*

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 3, 2016

QUADRANT 4 SYSTEM CORPORATION

(Exact name of Registrant as Specified in its Charter)

Illinois
(State or other jurisdiction of
incorporation or organization)

33-42498
(Commission File Number)

65-0254624
(I.R.S. Employer
Identification No.)

1501 E. Woodfield Road, Suite 205 S
Schaumburg, IL
(Address of Principal Executive Offices)

60173
(Zip Code)

(855) 995-7367

Registrant's telephone number, including area code

Not Applicable

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2-(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry Into a Material Definitive Agreement

BIP Loan

On November 3, 2016, Quadrant 4 System Corporation (the “Company”), as borrower, entered into a senior subordinated credit agreement (the “Subordinated Credit Agreement”) by and among the Company, BIP Lender, LLC, as collateral agent (“Agent”) and BIP Quadrant 4 Debt Fund I, LLC, as lender (“BIP Lender”), pursuant to which the BIP Lender made various financial accommodations available to the Company, including a term loan in the principal amount of \$5,075,000, to be repaid in accordance with the terms of the Subordinated Credit Agreement. The Company utilized the proceeds of the loans advanced under the Subordinated Credit Agreement to (i) finance the acquisition of all of the issued and outstanding capital stock of Stratitude, Inc., a California corporation (“Stratitude”), pursuant to the terms and subject to the conditions set forth in a stock purchase agreement effective November 3, 2016, (ii) finance the acquisition of substantially all of the assets of Great Parents Academy, LLC, a Georgia limited liability company (“GPA”), in accordance with the terms and subject to the conditions set forth in an Asset Purchase Agreement effective November 3, 2016, and (iii) to pay certain fees and expenses incurred in connection with the negotiation and documentation of the Subordinated Credit Agreement and the transactions with Stratitude and GPA.

Term Loan: The Subordinated Credit Agreement provides for a term loan in the original principal amount of \$5,075,000, the entire principal amount of which was advanced at closing and used for the purposes stated above. The Company is required to make quarterly principal payments in the amount of \$298,529.41 until maturity. Interest on the term loan is payable in arrears on the first day of each month so long as the term loan remains outstanding. The term loan generally bears interest at a rate of ten percent (10%) per annum and matures on December 31, 2019.

Common Stock Purchase Warrant: The Subordinated Credit Agreement provides for the issuance of a common stock purchase warrant (the “Warrant”) to the BIP Lender for the purchase of three million shares of common stock of the Company. The exercise price under the Warrant is \$0.45, subject to adjustment as contemplated therein. The Warrant expires on the close of business on the five (5) year anniversary of the initial exercise date (as defined in the Warrant).

Covenants: The Subordinated Credit Agreement contains various restrictions and covenants applicable to the Company and, with limited exceptions, its subsidiaries. Among other requirements, the Company may not permit (i) the ratio of its total funded debt (as defined in the Subordinated Credit Agreement) on the last day of any fiscal quarter of the Company to its consolidated net income before, among other things, interest, taxes, depreciation, amortization, and certain other losses, expenses and charges (“EBITDA”), for the four consecutive fiscal quarters then ended to exceed 3.45 to 1.00, or (ii) the ratio of its EBITDA for any period of four consecutive fiscal quarters to its principal payments on indebtedness due within the next four fiscal quarters (including earnout obligations of the Company that could become due within the next four fiscal quarters), interest expense, and income taxes paid for the past four quarters (or annualized in certain circumstances), for the same period to be less than 1.00 to 1.00.

Collateral and Remedies: The credit made available to the Company pursuant to the Subordinated Credit Agreement is secured by a second-priority lien on substantially all of the assets of the Company and its subsidiaries. In addition, the obligations of the Company under the Subordinated Credit Agreement are guaranteed by Stratitude. The Subordinated Credit Agreement contains various events of default typical for subordinated secured credit transactions of this type, including, but not limited to failure to pay any interest, principal, fees or other amounts when due, default under any covenant or agreement in the Subordinated Credit Agreement or the documents delivered in connection therewith, the inaccuracy of statements made by the Company or false representations or warranties of the Company, cross-defaults with other debt obligations of the Company, bankruptcy and other insolvency events, prohibited changes of control and unsatisfied judgments. The events of default are generally qualified to include customary materiality thresholds and exceptions, and to otherwise include concepts of reasonableness when discretion is granted to the BIP Lender or the Agent, as applicable. In the event that the Company defaults with respect to the any of its obligations under the Subordinated Credit Agreement or an event of default occurs and is continuing, the Subordinated Credit Agreement permits the Agent to accelerate, and demand payment in full of, all amounts outstanding thereunder. In such event, the Agent has the ability to enforce its remedies against the collateral pledged to the Agent by the Company as noted above. All of the rights and remedies of the Agent and the BIP Lender are subject to the terms and conditions set forth in a intercreditor and subordination agreement (the “Intercreditor Agreement”) by and among BMO Harris Bank N.A., the second lien lenders (as defined in the Intercreditor Agreement) and the Agent.

Acquisition of Stratitude, Inc.

On November 3, 2016, the Company formally completed the acquisition of Stratitude pursuant to the Stock Purchase Agreement, effective November 3, 2016 (the “Stratitude Purchase Agreement”). Under the stock purchase agreement, the Company purchased all of the issued and outstanding capital stock of Stratitude. Simultaneously with the acquisition of Stratitude, Stratitude purchased select assets of Agama Solutions, Inc. (“Agama”).

Stratitude and Agama are both Fremont California based IT and Software Consulting Service providers. The acquisition of Stratitude, along with select assets of Agama, gives the Company additional technical resources and operational presence in California. The integration of these assets will help the Company better deliver its products and service across geographies and market segments.

As consideration for the acquisition the Company agreed to an initial cash payment of \$4,430,740.76, 500,000 shares of the Company’s common stock, and agreed to earnout payments of up to \$2,400,000 based on a mutually agreed upon post-closing determination of Stratitude’s EBITDA.

Acquisition of Great Parents Academy, LLC

On November 3, 2016, the Company formally completed the acquisition of certain of the assets of GPA related to GPA’s business of providing an educational technology tool to optimize individual student learning environments, pursuant to the Asset Purchase Agreement, effective November 3, 2016 (the “GPA Purchase Agreement”).

As consideration for the acquisition, the Company agreed to issue 2,745,237 shares of the Company’s common stock, enter into a Royalty Agreement whereby the Company will grant GPA a royalty in the Company’s sales of the “LoveMath” application, and assume certain liabilities of GPA. Within fifteen (15) days following November 3, 2016, the Company will issue an additional 104,763 shares to three (3) former GPA employees.

Amendment to Credit Agreement

In connection with the transactions contemplated by the Subordinated Credit Agreement, the Company entered into a first amendment to credit agreement with BMO Harris Bank N.A. (the “Senior Lender”) dated November 3, 2016 (the “First Amendment”), which amended that certain Credit Agreement dated as of July 1, 2016 by and between the Company and the Senior Lender (a copy of which was filed as Exhibit 10.1 to the Company’s Current Report on Form 8-K filed July 8, 2016). Pursuant to the First Amendment, among other things, the Senior Lender (i) consented to the Company’s incurrence of indebtedness under and other transactions contemplated by the Subordinated Credit Agreement, (ii) consented to the transactions with GPA and Stratitude and the other documents and transactions contemplated thereby, and (iii) made certain other amendments to the Credit Agreement (as defined in the First Amendment) to conform to the provisions of the Subordinated Credit Agreement, in each case as more fully set forth in the First Amendment.

* * *

The foregoing descriptions of each of the Subordinated Credit Agreement, the Stratitude Purchase Agreement, the GPA Purchase Agreement, and the First Amendment are hereby qualified in their entirety by the text of each of the Subordinated Credit Agreement, the Stratitude Purchase Agreement, the GPA Purchase Agreement, and the First Amendment, which are each attached as an exhibit hereto.

Item 2.01 Completion of Acquisition or Disposition of Assets

The information provided in Item 1.01 of this Current Report on Form 8-K is incorporated by reference into this Item 2.01.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation Under an Off-Balance Sheet Arrangement of a Registrant

The information provided in Item 1.01 of this Current Report on Form 8-K is incorporated by reference into this Item 2.03.

Item 9.01 Financial Statements and Exhibits

Exhibit No.	Description of Exhibit
10.1	<u>Senior Subordinated Credit Agreement, by and among Quadrant 4 System Corporation, BIP Lender, LLC, and BIP Quadrant 4 Debt Fund I, LLC, dated as of November 3, 2016</u>
10.2	<u>Stock Purchase Agreement, by and among Quadrant 4 System Corporation, Stratitude, Inc. and the Shareholders of Stratitude, Inc., dated as of November 3, 2016</u>
10.3	<u>Asset Purchase Agreement, by and between Quadrant 4 System Corporation and Great Parents Academy, LLC, dated as of November 3, 2016</u>
10.4	<u>First Amendment to Credit Agreement, by and among Quadrant 4 System Corporation, Stratitude, Inc., and BMO Harris Bank N.A., dated as of November 3, 2016</u>

SIGNATURE

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

QUADRANT 4 SYSTEM CORPORATION

By: /s/ Dhru Desai
Dhru Desai
Chief Financial Officer

Date: November 10, 2016

Index to Exhibits

Exhibit No.	Description of Exhibit
10.1	<u>Senior Subordinated Credit Agreement, by and among Quadrant 4 System Corporation, BIP Lender, LLC, and BIP Quadrant 4 Debt Fund I, LLC, dated as of November 3, 2016</u>
10.2	<u>Stock Purchase Agreement, by and among Quadrant 4 System Corporation, Stratitute, Inc. and the Shareholders of Stratitute, Inc., dated as of November 3, 2016</u>
10.3	<u>Asset Purchase Agreement, by and between Quadrant 4 System Corporation and Great Parents Academy, LLC, dated as of November 3, 2016</u>
10.4	<u>First Amendment to Credit Agreement, by and among Quadrant 4 System Corporation, Stratitute, Inc., and BMO Harris Bank N.A., dated as of November 3, 2016</u>

Senior Subordinated Credit Agreement

dated as of November 3, 2016,

by and among

QUADRANT 4 SYSTEM CORPORATION, AS BORROWER

BIP LENDER, LLC, AS COLLATERAL AGENT

and

BIP QUADRANT 4 DEBT FUND I, LLC, AS LENDER

Table of Contents

SECTION 1.	DEFINITIONS; INTERPRETATION	1
	Section 1.1 Definitions	1
	Section 1.2 Interpretation	19
	Section 1.3 Change in Accounting Principles	19
SECTION 2.	THE CREDIT FACILITY	20
	Section 2.1 Purchase and Sale of the Term Note and BIP Warrant	20
	Section 2.2 Interest	20
	Section 2.3 Maturity of Term Loan	20
	Section 2.4 Prepayments	20
	Section 2.5 Default Rate	23
	Section 2.6 Evidence of Indebtedness	23
	Section 2.7 Fees and Expenses	23
	Section 2.8 Pro Rata Treatment	24
	Section 2.9 Place and Application of Payments	24
	Section Allocation of Purchase Price	25
2.10		
SECTION 3.	CHANGE IN CIRCUMSTANCES	25
	Section 3.1 Withholding Taxes	25
	Section 3.2 Documentary Taxes	25
SECTION 4.	CONDITIONS PRECEDENT	26
	Section 4.1 Initial Credit Event	26
	Section 4.2 All Credit Events	28
SECTION 5.	REPRESENTATIONS AND WARRANTIES OF BORROWER	29
	Section 5.1 Organization and Qualification	29
	Section 5.2 Subsidiaries; Warrants	29
	Section 5.3 Authority and Validity of Obligations	30
	Section 5.4 Use of Proceeds; Margin Stock	30
	Section 5.5 Financial Reports	31
	Section 5.6 No Material Adverse Change	32
	Section 5.7 Full Disclosure	32
	Section 5.8 Trademarks, Franchises, and Licenses	32
	Section 5.9 Governmental Authority and Licensing	32
	Section Good Title	32
5.10		
	Section Litigation and Other Controversies	32
5.11		
	Section Taxes	32
5.12		
	Section Approvals	33
5.13		
	Section Affiliate Transactions	33
5.14		
	Section Investment Company	33
5.15		
	Section ERISA	33
5.16		
	Section Compliance with Laws	33
5.17		
	Section OFAC	34
5.18		
	Section Other Agreements	34
5.19		
	Section Solvency	34
5.20		

5.21	Section	No Default	34
5.22	Section	No Broker Fees	35
5.23	Section	Proprietary Rights	35
5.24	Section	Private Offering	37
5.25	Section	Labor Relations	37
5.26	Section	Potential Conflicts of Interests	37
5.27	Section	SEC Reports	37
5.28	Section	Listing and Maintenance Requirements	38
5.29	Section	Related Agreements	38
5.30	Section	Collective Enterprise	39
5.31	Section	Amended SEC Reports	39
SECTION 6. AFFIRMATIVE COVENANTS			39
	Section 6.1	Maintenance of Business	40
	Section 6.2	Maintenance of Properties	40
	Section 6.3	Taxes and Assessments	40
	Section 6.4	Insurance	40
	Section 6.5	Financial Reports	41
	Section 6.6	Inspection	44
	Section 6.7	ERISA	44
	Section 6.8	Compliance with Laws	44
	Section 6.9	Compliance with OFAC Sanctions Programs	45
	Section	Formation of Subsidiaries	45
6.10	Section	Use of Proceeds; Margin Stock	46
6.11	Section	Guaranties and Collateral	46
6.12	Section	Accounts	47
6.13	Section	Reserved	47
6.14	Section	Maintenance of Proprietary Rights	47
6.15	Section	Post Closing Covenants	49
6.16	Section	Reserved	49
6.17	Section	Warrants	49
6.18	Section	Board Observer	49
6.19	Section	Reporting	50
6.20			
SECTION 7. NEGATIVE COVENANTS			50
	Section 7.1	Borrowings and Guaranties	50
	Section 7.2	Liens	51
	Section 7.3	Investments, Acquisitions, Loans and Advances	52
	Section 7.4	Mergers, Consolidations and Sales	53

	Section 7.5 Maintenance of Subsidiaries	54
	Section 7.6 Dividends and Certain Other Restricted Payments	54
	Section 7.7 Burdensome Contracts With Affiliates	55
	Section 7.8 No Changes in Fiscal Year	56
	Section 7.9 Change in the Nature of Business	56
	Section No Restrictions	56
7.10		
	Section Constituent Documents and Subordinated Debt	56
7.11		
	Section Financial Covenants	57
7.12		

7.13	Section	Rate Management Arrangements	58
7.14	Section	Real Property	58
7.15	Section	Use of Collateral Agent's or any Lender's Name	58
7.16	Section	Material Impairment	58
SECTION 8. EVENTS OF DEFAULT AND REMEDIES			58
	Section 8.1	Events of Default	58
	Section 8.2	Non Bankruptcy Defaults	61
	Section 8.3	Bankruptcy Defaults	61
SECTION 9. COLLATERAL AGENT			61
	Section 9.1	Appointment and Authorization of Collateral Agent	61
	Section 9.2	Collateral Matters	61
	Section 9.3	Delegation of Duties	62
	Section 9.4	Liability of Collateral Agent	62
	Section 9.5	Reliance by Collateral Agent	62
	Section 9.6	Notice of Default	63
	Section 9.7	Investment Decision; Disclosure of Information by Collateral Agent	63
	Section 9.8	Indemnification of Collateral Agent	64
	Section 9.9	Successor Collateral Agent	64
9.10	Section	Reliance on Collateral Agent	65
SECTION 10. REPRESENTATIONS AND WARRANTIES OF LENDER			65
10.1	Section	Securities Laws	65
SECTION 11. MISCELLANEOUS			66
11.1	Section	No Waiver, Cumulative Remedies	66
11.2	Section	Non-Business Days	66
11.3	Section	Survival of Representations	66
11.4	Section	Survival of Indemnity and Certain Other Provisions	66
11.5	Section	Notices	67
11.6	Section	Counterparts	67
11.7	Section	Successors and Assigns	67
11.8	Section	Amendments, etc	68
11.9	Section	Headings	68
11.10	Section	Costs and Expenses; Indemnification	68
11.11	Section	Set off	70
11.12	Section	Entire Agreement	70
11.13	Section	Governing Law	70
11.14	Section	Severability of Provisions	70

11.15	Section	Excess Interest	70
	Section	Construction	71
11.16	Section	Submission to Jurisdiction; Waiver of Venue; Service of Process	71
11.17	Section	Waiver of Jury Trial	72
11.18	Section	Intercreditor Agreement	73
11.19			

11.20	Section	Time is of the Essence	73
11.21	Section	Confidentiality	73
11.22	Section	Further Assurances	74

SENIOR SUBORDINATED CREDIT AGREEMENT

This Senior Subordinated Credit Agreement is entered into as of November 3, 2016, by and among QUADRANT 4 SYSTEM CORPORATION, an Illinois corporation (“*Borrower*”), BIP LENDER, LLC, a Delaware limited liability company (“*Collateral Agent*”) and BIP QUADRANT 4 DEBT FUND I, LLC, a Delaware limited liability company (“*Lender*” and together with the other lenders from time to time party hereto, collectively the “*Lenders*”). All capitalized terms used herein without definition shall have the meanings ascribed thereto in Section 1.1.

PRELIMINARY STATEMENT

A. Borrower has requested, and Lender has agreed to extend, a term loan on the terms and conditions of this Agreement.

B. Borrower wishes to sell to Lender a warrant to purchase 3,000,000 shares of common stock of Borrower substantially in the form of Exhibit A attached hereto (the “*BIP Warrant*”) on the terms and conditions set forth therein and in this Agreement.

NOW, THEREFORE, in consideration of the mutual agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. DEFINITIONS; INTERPRETATION.

Section 1.1 Definitions. The following terms when used herein shall have the following meanings:

“*Acquired Business*” means the entity or assets acquired by the Borrower or a Wholly-owned Subsidiary in an Acquisition, whether before or after the date hereof.

“*Acquisition*” means any transaction or series of related transactions for the purpose of or resulting, directly or indirectly, in (a) the acquisition of all or substantially all of the assets of any Person, or of any business or division of a Person, (b) the acquisition of in excess of 50% of the equity securities of any Person, or otherwise causing any Person to become a Subsidiary, or (c) a merger or consolidation or any other combination with another Person.

“*Affiliate*” means any Person directly or indirectly controlling or controlled by, or under direct or indirect common control with, another Person. A Person shall be deemed to control another Person for purposes of this definition if such Person possesses, directly or indirectly, the power to direct, or cause the direction of, the management and policies of the other Person, whether through the ownership of voting securities, common directors, trustees or officers, by contract or otherwise; *provided* that, in any event for purposes of this definition, any Person that owns, directly or indirectly, 10% or more of the securities having the ordinary voting power for the election of directors or governing body of a corporation or 10% or more of the partnership or other ownership interest of any other Person (other than as a limited partner of such other Person) will be deemed to control such corporation or other Person.

“**Agama Acquisition**” means the Acquisition by Stratitute of all or substantially all of the assets of Agama Solutions Inc. pursuant to the terms and conditions of the Agama Purchase Agreement.

“**Agama Purchase Agreement**” means that certain Asset Purchase Agreement, dated as of the date hereof, by and among Stratitute, as purchaser, and Agama Solutions Inc., as seller.

“**Agama Purchase Documents**” means, collectively, (a) the Agama Purchase Agreement and (b) all other agreements, instruments and documents executed and delivered in connection therewith.

“**Agreement**” means this Senior Subordinated Credit Agreement, as the same may be amended, restated, supplemented, or otherwise modified from time to time pursuant to the terms hereof.

“**Authorized Representative**” means those persons shown on the list of officers provided by Borrower pursuant to Section 4.1 or on any update of any such list provided by Borrower to Collateral Agent, or any further or different officers of Borrower so named by any Authorized Representative of Borrower in a written notice to Collateral Agent.

“**BIP Warrant**” has the meaning set forth in the Preliminary Statement, as the same may be amended, supplemented or modified from time to time.

“**Borrower**” is defined in the introductory paragraph of this Agreement.

“**Brainchild Earn-Out**” means the “Earn Out” payable to the Brainchild Seller pursuant to Section 1.2.3 of the Brainchild Purchase Agreement.

“**Brainchild Put Right**” means the put right payable to the Brainchild Seller pursuant to Section 1.2.2 of the Brainchild Purchase Agreement.

“**Brainchild Purchase Agreement**” means that certain Stock Purchase Agreement, by and between Borrower and Brainchild Seller, dated as of January 1, 2015.

“**Brainchild Seller**” means Jeffrey Cameron and Beverly Cameron, former stockholders of Brainchild Corporation.

“**Business Day**” means any day (other than a Saturday or Sunday) on which banks are not authorized or required to close in Atlanta, GA.

“**California Acquisition**” means the Acquisition by Borrower of all or substantially all of the capital stock of Stratitute Inc. pursuant to the terms and conditions of the California Purchase Agreement (it being understood that Stratitute will be consummating the Agama Acquisition immediately prior to the California Acquisition).

“**California Acquisition Subordination Agreement**” means that certain Subordination Agreement dated as of the date hereof by and among Borrower, Collateral Agent and the California Purchase Agreement Seller.

“**California Purchase Agreement**” means that certain Stock Purchase Agreement, dated as of the date hereof, by and among Borrower, Stratitude Inc., a California corporation, and the California Purchase Agreement Seller.

“**California Purchase Agreement Earn-Out**” means the “Earnout Consideration” payable to the California Purchase Agreement Seller pursuant to Section 1.5 and Exhibit B of the California Purchase Agreement.

“**California Purchase Agreement Seller**” means, individually and collectively, the shareholders listed on Exhibit A to the California Purchase Agreement.

“**California Purchase Documents**” means, collectively, (a) the California Purchase Agreement and (b) all other agreements, instruments and documents executed and delivered in connection therewith.

“**Capital Expenditures**” means, with respect to any Person for any period, the aggregate amount of all expenditures (whether paid in cash or accrued as a liability) by such Person during that period for the acquisition or leasing (pursuant to a Capital Lease) of fixed or capital assets or additions to property, plant, or equipment (including replacements, capitalized repairs, and improvements) which should be capitalized on the balance sheet of such Person in accordance with GAAP but excluding (a) expenditures made in connection with the replacement, substitution or restoration of assets to the extent financed (i) from insurance proceeds (or other similar recoveries) paid on account of the loss of or damage to the assets being replaced or restored or (ii) with awards of compensation arising from the taking by eminent domain or condemnation of the assets being replaced, (b) expenditures to the extent such expenditures constitute a reinvestment of proceeds from a Disposition to the extent permitted under this Agreement, and (c) expenditures acquired in connection with a Permitted Acquisition to the extent that there is no cash outlay other than the purchase price that was paid and such expenditures were not created in connection with, or in anticipation of, such Permitted Acquisition.

“**Capital Lease**” means any lease of Property which in accordance with GAAP is required to be capitalized on the balance sheet of the lessee.

“**Capitalized Lease Obligation**” means, for any Person, the amount of the liability shown on the balance sheet of such Person in respect of a Capital Lease determined in accordance with GAAP.

“**CERCLA**” means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. §§ 9601 et seq., and any future amendments.

“**Change of Control**” means any of (a) the acquisition by any “person” or “group” (as such terms are used in sections 13(d) and 14(d) of the Exchange Act) at any time of beneficial ownership of 20% or more of the outstanding capital stock or other equity interests of Borrower on a fully diluted basis, (b) the failure of individuals who are members of the board of directors (or similar governing body) of Borrower on the Closing Date (together with any new or replacement directors whose initial nomination for election was approved by a majority of the

directors who were either directors on the Closing Date or previously so approved) to constitute a majority of the board of directors (or similar governing body) of Borrower, (c) any “Change of Control” (or words of like import), as defined in any agreement or indenture relating to any issue of Indebtedness for Borrowed Money of Borrower or any Subsidiary shall occur, including, without limitation, the Senior Debt, (d) a sale, assignment, lease, conveyance, exchange, transfer, sale-leaseback or other disposition of more than 30% of the assets of Borrower and its Subsidiaries, taken as a whole, whether in one or a series of related transactions (excluding normal inventory sales and financing arrangements associated with inventory or receivables), (e) Borrower ceases to own and control 100% of the capital stock of each Guarantor, (f) approval by the board of directors (or equivalent governing body) of Borrower or any Subsidiary of a liquidation or dissolution of Borrower or such Subsidiary other than, as it relates to any such Subsidiary, the liquidation or dissolution of such Subsidiary shall not be deemed a Change of Control if the assets of such Subsidiary are transferred to Borrower or another Guarantor prior to, or concurrently with, such dissolution or liquidation or (g) a transaction or series of transaction with a controlling stockholder or other affiliated person(s) or third parties that terminates Borrower’s public company status and related reporting obligations under the Exchange Act (for the avoidance of doubt, any event, circumstance or change that results in Borrower’s cessation of reporting under the Exchange Act without also terminating Borrower’s public company status shall not be deemed a Change of Control).

“**Closing Date**” means the date of this Agreement or such later Business Day upon which each condition described in Section 4.1 shall be satisfied or waived in a manner acceptable to Lender in its discretion.

“**Code**” means the Internal Revenue Code of 1986, as amended, and any successor statute thereto.

“**Collateral**” means all properties, rights, interests, and privileges from time to time subject to the Liens granted to Lender, or any security trustee therefor, by the Collateral Documents.

“**Collateral Documents**” means the Mortgages, the Security Agreement, the Pledge Agreements, and all other mortgages, deeds of trust, security agreements, pledge agreements, assignments, control agreements, financing statements and other documents as shall from time to time secure or relate to the Obligations or any part thereof.

“**Commercial Software**” means packaged commercially available software programs generally available to the public which have been licensed to Borrower or any Subsidiary pursuant to an end user license.

“**Constituent Documents**” is defined in the Security Agreement.

“**Controlled Group**” means all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control which, together with Borrower, are treated as a single employer under Section 414 of the Code.

“**Credit Event**” means the advancing of the Term Loan.

“Default” means any event or condition the occurrence of which would, with the passage of time or the giving of notice, or both, constitute an Event of Default.

“DialedIn Earn-Out” means the “General Revenue Earnout” (as defined in the DialedIn Merger Agreement) and the “HP Earnout” (as defined in the DialedIn Merger Agreement) payable to the Shareholders (as defined in the DialedIn Merger Agreement) pursuant to Section 2.4(ii) and (iii) of the DialedIn Merger Agreement.

“DialedIn EO Recipients” means Shareholders and officers and employees of DialedIn, Inc. receiving payments of the DialedIn Earn-Out.

“DialedIn General Sales Commission” means the “General Sales Commission” (as defined in the DialedIn Sales Commission Agreement) payable to the former shareholders of DialedIn Inc. pursuant to the DialedIn Sales Commission Agreement.

“DialedIn HP Sales Commission” means the “HP Sales Commission” (as defined in the DialedIn Sales Commission Agreement) payable to the former shareholders of DialedIn Inc. pursuant to the DialedIn Sales Commission Agreement.

“DialedIn Merger Agreement” means that certain Agreement and Plan of Merger, by and among DialedIn, Inc., Q-Dial Corp. and Borrower, dated as of November __, 2015.

“DialedIn Sales Commission Agreement” means that certain Sales Commission Agreement between Borrower and the former shareholders of DialedIn Inc. dated effective as of the later of January 8, 2016 or the date fully executed by both parties.

“Disposition” means the sale, lease, conveyance or other disposition of Property, other than sales or other dispositions expressly permitted under Sections 7.4(a) and (b).

“Distributions” by a Person means (a) dividends or other distributions on any now or hereafter outstanding capital stock of such Person; (b) the redemption, repurchase, defeasance or acquisition of such capital stock or of warrants, rights or other options to purchase such capital stock; and (c) any loans or advances (other than salaries or reimbursement of employee expenses in the ordinary course of business), to any stockholder(s), partner(s) or member(s) of such Person.

“Domestic Subsidiary” means a Subsidiary that is not a Foreign Subsidiary.

“Earn Out Obligations” means and includes any earn out obligations, performance payments or similar obligations of the Borrower or any Subsidiary arising out of or in connection with a Permitted Acquisition or otherwise, including, without limitation, the Brainchild Earn-Out, the DialedIn Earn-Out and the California Purchase Agreement Earn-Out.

“EBITDA” means, with reference to any period for any Person, Net Income of such Person for such period plus all amounts deducted in arriving at such Net Income amount in respect of (a) Interest Expense for such period, (b) federal, state, and local income taxes for such period, (c) depreciation of fixed assets and amortization of intangible assets for such period, (d) other one-time, non-recurring costs and expenses approved by the Collateral Agent in its sole

discretion and in an amount satisfactory to the Collateral Agent, (e) any fees, costs, charges or other amounts incurred in such period in connection with the negotiation, execution and closing of this Agreement, the other Loan Documents and the Senior Debt in an aggregate amount not to exceed \$750,000, (f) transaction fees, costs and expenses incurred during such period in connection with a Permitted Acquisition, whether or not consummated; provided that, (i) in respect of consummated Permitted Acquisitions, such transaction fees, costs and expenses shall not exceed an aggregate amount of \$250,000 for any one (1) such Permitted Acquisition and (ii) in respect of unconsummated Permitted Acquisitions, such transaction fees, costs and expenses shall not exceed an aggregate amount of \$100,000 for any one (1) such Permitted Acquisition, and (g) transaction fees and amendment fees incurred after the Closing Date which are paid to or on behalf of the Lenders or the Collateral Agent or, to the extent permitted under the Senior Lender Intercreditor Agreement, the Senior Lender in an aggregate amount not to exceed \$100,000 per fiscal year.

Notwithstanding the foregoing, solely for purposes of the computation of the financial covenants set forth in Section 7.12 for any period during which a Permitted Acquisition is made by the Borrower or any Wholly-owned Subsidiary, (i) the pro forma EBITDA of any Acquired Business to the extent approved by the Required Lenders in connection with such Permitted Acquisition shall be included therein as if such purchase or other Permitted Acquisition was consummated on the first day of such period, and (ii) any Indebtedness for Borrowed Money incurred or assumed in connection therewith as permitted under this Agreement, shall be included therein as if it had been incurred at the beginning of such period.

Notwithstanding the foregoing, “EBITDA” shall be calculated as follows solely for each of the following fiscal quarters:

Fiscal Quarter Ending	EBITDA
March 31, 2016	\$ 1,076,202
June 30, 2016	\$ 3,180,975
September 30, 2016	\$ 2,250,000

“**Embedded Products**” means all intellectual property that is subject to licenses, sublicenses and other agreements as to which Borrower or any Subsidiary is a party and pursuant to which Borrower or any Subsidiary is authorized to use any third party patents, patent rights, trademarks, service marks, trade secrets or copyrights, including all open source software listed in Schedule 5.23(c) and all third party proprietary software listed in Schedule 5.23(b).

“**Environmental Claim**” means any investigation, notice, violation, demand, allegation, action, suit, injunction, judgment, order, consent decree, penalty, fine, lien, proceeding or claim (whether administrative, judicial or private in nature) arising (a) pursuant to, or in connection with an actual or alleged violation of, any Environmental Law, (b) in connection with any

Hazardous Material, (c) from any abatement, removal, remedial, corrective or response action in connection with a Hazardous Material, Environmental Law or order of a Governmental Authority or (d) from any actual or alleged damage, injury, threat or harm to health, safety, natural resources or the environment.

“Environmental Law” means any current or future Legal Requirement pertaining to (a) the protection of health, safety and the indoor or outdoor environment, (b) the conservation, management or use of natural resources and wildlife, (c) the protection or use of surface water or groundwater, (d) the management, manufacture, possession, presence, use, generation, transportation, treatment, storage, disposal, Release, threatened Release, abatement, removal, remediation or handling of, or exposure to, any Hazardous Material or (e) pollution (including any Release to air, land, surface water or groundwater), and any amendment, rule, regulation, order or directive issued thereunder.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, or any successor statute thereto.

“Event of Default” means any event or condition identified as such in Section 8.1.

“Event of Loss” means, with respect to any Property, any of the following: (a) any loss, destruction or damage of such Property or (b) any condemnation, seizure, or taking, by exercise of the power of eminent domain or otherwise, of such Property, or confiscation of such Property or the requisition of the use of such Property.

“Excess Interest” is defined in Section 11.15.

“Exchange Act” means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission thereunder.

“Fixed Charges” means, with reference to any period for any Person, the sum of (a) all payments of principal due within 12 calendar months on and after the last day of such period with respect to Indebtedness for Borrowed Money of such Person (including, without limitation, any and all payments anticipated to be made (whether contingent or non-contingent at the time) in respect of Earn Out Obligations), (b) Interest Expense of such Person for such period, (c) federal, state, and local income taxes paid or payable by such Person during such period and (d) any Distributions made in cash during such period. Notwithstanding the foregoing, clause (b) set forth above (the **“Applicable Item”**) shall be calculated as follows solely for each of the following fiscal quarters then ended:

(i) for the fiscal quarter ending on September 30, 2016, the Applicable Item shall be calculated as: actual Applicable Item for the period beginning on July 1, 2016 and ending on September 30, 2016 multiplied by four (4);

(ii) for the fiscal quarter ending on December 31, 2016, the Applicable Item shall be calculated as: actual Applicable Item for the period beginning on July 1, 2016 and ending on December 31, 2016 multiplied by two (2);

(iii) for the fiscal quarter ending on March 31, 2017, the Applicable Item shall be calculated as: actual Applicable Item for the period beginning on July 1, 2016 and ending on March 31, 2017 multiplied by one and one-third (1 1/3).

“Foreign Subsidiary” means each Subsidiary which (a) is organized under the laws of a jurisdiction other than the United States of America or any state thereof or the District of Columbia, (b) conducts substantially all of its business outside of the United States of America, and (c) has substantially all of its assets outside of the United States of America.

“GAAP” means generally accepted accounting principles set forth from time to time in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board (or agencies with similar functions of comparable stature and authority within the U.S. accounting profession), which are applicable to the circumstances as of the date of determination.

“Governmental Authority” means the government of the United States of America or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

“GPA Learn Acquisition” means the Acquisition by Borrower of the “Purchased Assets” (as such term is defined in the GPA Learn Purchase Agreement) pursuant to the GPA Learn Purchase Agreement.

“GPA Learn Purchase Agreement” means that certain Asset Purchase Agreement, dated as of the date hereof, by and between Borrower, as purchaser, and the GPA Learn Seller.

“GPA Learn Purchase Documents” means, collectively, (a) the GPA Learn Purchase Agreement and (b) all other agreements, instruments and documents executed and delivered in connection therewith.

“GPA Learn Royalties” means, collectively, the “Royalty Payments” (as defined in the GPA Learn Royalty Agreement) payable to the GPA Learn Seller.

“GPA Learn Royalty Agreement” means that certain Royalty Agreement dated as of the date hereof by and between the GPA Learn Seller and Borrower.

“GPA Learn Seller” means Great Parents Academy, LLC, a Georgia limited liability company.

“Guarantor” and “Guarantors” each is defined in [Section 6.12\(a\)](#), and includes, without limitation, Stratitude.

“Guaranty” and “Guaranties” each is defined in [Section 6.12\(a\)](#).

“Hazardous Material” means any substance, chemical, compound, product, solid, gas, liquid, waste, byproduct, pollutant, contaminant or material which is hazardous or toxic, and includes (a) asbestos, polychlorinated biphenyls and petroleum (including crude oil or any fraction thereof) and (b) any material classified or regulated as “hazardous” or “toxic” or words of like import pursuant to an Environmental Law.

“Hazardous Material Activity” means any activity, event or occurrence involving a Hazardous Material, including the manufacture, possession, presence, use, generation, transportation, treatment, storage, disposal, Release, threatened Release, abatement, removal, remediation, handling of or corrective or response action to any Hazardous Material.

“Indebtedness for Borrowed Money” means for any Person (without duplication) (a) all indebtedness created, assumed or incurred in any manner by such Person representing money borrowed (including by the issuance of debt securities), (b) all indebtedness for the deferred purchase price of property or services (other than trade accounts payable arising in the ordinary course of business which are not more than one hundred twenty (120) days past due), (c) all indebtedness secured by any Lien upon Property of such Person, whether or not such Person has assumed or become liable for the payment of such indebtedness, (d) all Capitalized Lease Obligations of such Person, (e) all obligations of such Person on or with respect to letters of credit, bankers’ acceptances and other extensions of credit whether or not representing obligations for borrowed money, (f) all Rate Management Obligations of such Person, (g) all earn-outs and similar obligations including, without limitation, any and all contingent and non-contingent Earn Out Obligations, (h) all indebtedness evidenced by bonds, debentures, notes or similar instruments, and (i) any equity securities or other equity instrument, whether or not mandatorily redeemable, that under GAAP is characterized as debt, whether pursuant to financial accounting standards board issuance No. 150 or otherwise.

“Indemnatee” is defined in Section 11.10(a).

“Interest Expense” means, with reference to any period, the sum of all interest charges (including imputed interest charges with respect to Capitalized Lease Obligations and all amortization of debt discount and expense) of Borrower and its Subsidiaries for such period determined on a consolidated basis in accordance with GAAP.

“Interest Period” means, for any date of determination, a period beginning on the first day of any month, or, in the case of the initial Interest Period, if the Term Loan is made on a day other than the first day of the month, the Closing Date, and in each case ending on the last day of such month.

“Interest Rate” means, for any Interest Period, ten percent (10%).

“Knowledge of the Loan Parties”, or any similar phrases, means the actual knowledge of any officer of any Loan Party, or knowledge that would be expected to be obtained by a prudent business person under substantially similar circumstances after a reasonably comprehensive investigation concerning the matter at issue.

“Legal Requirement” means any treaty, convention, statute, law, regulation, ordinance, license, permit, governmental approval, injunction, judgment, order, consent decree or other requirement of any Governmental Authority, whether federal, state, or local.

“Lender” or **“Lenders”** is defined in the introductory paragraph of this Agreement. In addition to the foregoing, for the purpose of identifying the Persons entitled to share in the Collateral and the proceeds thereof under, and in accordance with the provisions of, this Agreement and the Collateral Documents.

“Lien” means any mortgage, lien, security interest, pledge, charge or encumbrance of any kind in respect of any Property, including the interests of a vendor or lessor under any conditional sale, Capital Lease or other title retention arrangement.

“Loan Documents” means this Agreement, the Notes, the Collateral Documents, the Guaranties, the BIP Warrant, the Information Certificate and each other instrument or document to be delivered hereunder or thereunder or otherwise in connection therewith.

“Loan Party” means (a) Borrower; (b) each Subsidiary of Borrower that becomes a party to this Agreement, a Guaranty Agreement or the Security Agreement; and (c) any other Guarantor.

“Material Adverse Effect” means (a) a material adverse change in, or material adverse effect upon, the operations, business, Property, condition (financial or otherwise), performance or prospects of Borrower or of Borrower and its Subsidiaries taken as a whole, (b) a material impairment of the ability of Borrower or any Subsidiary to perform its material obligations under any Loan Document or (c) a material adverse effect upon (i) the legality, validity, binding effect or enforceability against Borrower or any Subsidiary of any Loan Document or the rights and remedies of Collateral Agent and the Lenders thereunder or (ii) the perfection or priority of any Lien granted under any Collateral Document.

“Material Plan” is defined in [Section 8.1\(h\)](#).

“Maximum Rate” is defined in [Section 11.15](#).

“MGL Seller Note” means the Amended and Restated Promissory Note dated as of April 18, 2011 issued by Borrower in favor of MGL Americas, Inc. in the original aggregate principal amount of \$3,117,538, as modified by that certain Loan Modification Agreement dated as of October 1, 2014.

“Moody’s” means Moody’s Investors Service, Inc.

“Mortgages” means, collectively, each mortgage, deeds of trust, leasehold mortgage or similar instrument delivered to Collateral Agent pursuant to [Section 6.12\(c\)](#), as the same may be amended, restated, supplemented, or otherwise modified from time to time.

“Net Cash Proceeds” means, as applicable, (a) with respect to any Disposition by a Person, cash and cash equivalent proceeds received by or for such Person’s account, net of (i) reasonable direct costs relating to such Disposition (including, without limitation, any

underwriting, brokerage or other customary commissions payable to third parties unrelated to Borrower and its Subsidiaries and legal, advisory and other fees and expenses associated therewith), (ii) sale, use or other transactional taxes paid or payable by such Person as a direct result of such Disposition and (iii) until released to the Borrower or any Subsidiary, all reasonable amounts that are set aside as a reserve established in accordance with GAAP for (1) adjustments in respect of the sale price of such assets or (2) for the payment of liabilities under any indemnification obligations (other than taxes deducted pursuant to the foregoing clause (ii)) relating to the assets sold or otherwise disposed of, (b) with respect to any Event of Loss of a Person, cash and cash equivalent proceeds received by or for such Person's account (whether as a result of payments made under any applicable insurance policy therefor or in connection with condemnation proceedings or otherwise), net of reasonable direct costs incurred in connection with the collection of such proceeds, awards or other payments, and (c) with respect to any offering of equity securities of a Person or the issuance of any Indebtedness for Borrowed Money by a Person, cash and cash equivalent proceeds received by or for such Person's account, net of reasonable legal, underwriting, commissions payable to third parties unrelated to Borrower and its Subsidiaries and other fees and expenses incurred as a direct result thereof.

"Net Income" means, with reference to any period for any Person, the net income (or net loss) of such Person for such period computed on a consolidated basis in accordance with GAAP; *provided* that there shall be excluded from Net Income (a) the net income (or net loss) of such Person accrued prior to the date it becomes a Subsidiary of, or has merged into or consolidated with, Borrower or another Subsidiary, and (b) the net income (or net loss) of such Person (other than a Subsidiary) in which Borrower or any of its Subsidiaries has an equity interest in, except to the extent of the amount of dividends or other distributions actually paid to Borrower or any of its Subsidiaries during such period.

"Notes" means the Term Note and any notes issued in connection with any assignment of all or a portion thereof.

"Obligations" means all obligations of Borrower to pay principal and interest on the Term Loan, all fees and charges payable hereunder, and all other payment obligations of Borrower or any of its Subsidiaries arising under or in relation to any Loan Document, in each case whether now existing or hereafter arising, due or to become due, direct or indirect, absolute or contingent, and howsoever evidenced, held or acquired.

"OFAC" means the United States Department of Treasury Office of Foreign Assets Control.

"OFAC Event" means the event specified in [Section 6.9\(c\)](#).

"OFAC Sanctions Programs" means all laws, regulations, and Executive Orders administered by OFAC, including the Bank Secrecy Act, anti-money laundering laws (including the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. L. 107-56 (a/k/a the USA Patriot Act)), and all economic and trade sanction programs administered by OFAC, any and all similar United States

federal laws, regulations or Executive Orders, and any similar laws, regulations or orders adopted by any State within the United States.

“OFAC SDN List” means the list of the Specially Designated Nationals and Blocked Persons maintained by OFAC.

“Open Source Software” is defined in Section 5.23(c).

“OSS Agreements” is defined in Section 5.23(c).

“PBGC” means the Pension Benefit Guaranty Corporation or any Person succeeding to any or all of its functions under ERISA.

“Permitted Acquisitions” means (x) the Related Transactions and (y) any Acquisition by Borrower or any domestic Wholly-owned Subsidiary thereof where:

(a) the business, division or assets acquired are for use, or the Person acquired is engaged, in the businesses engaged in by Borrower on the Closing Date or related, ancillary or complimentary businesses and activities;

(b) immediately before and after giving effect to such Acquisition, no Default or Event of Default shall exist;

(c) the aggregate consideration (cash and non-cash) to be paid by Borrower or any Subsidiary (including, without limitation, any indebtedness assumed in connection therewith, the amount thereof to be calculated in accordance with GAAP and the value of any equity securities of Borrower and/or any Subsidiary issued to the seller in connection with such Acquisition) in connection with (i) such Acquisition (or any series of related Acquisitions) is less than \$1,500,000, and (ii) all Acquisitions is less than \$4,500,000, in each case without the prior written consent of the Required Lenders;

(d) immediately after giving effect to such Acquisition, Borrower is in pro forma compliance with all the financial covenants set forth in Section 7.12;

(e) in the case of the Acquisition of any Person, the board of directors or similar governing body of such Person has approved such Acquisition;

(f) not less than twenty (20) Business Days prior to such Acquisition (or such later date approved by Collateral Agent in its sole discretion), Collateral Agent shall have received an acquisition summary with respect to the Person and/or business, division or assets to be acquired, such summary to include a reasonably detailed description thereof (including financial information) and operating results (including financial statements for the most recent 12 month period for which they are available and as otherwise available), the terms and conditions, including economic terms, of the proposed Acquisition, and Borrower’s calculation of pro forma EBITDA relating thereto;

(g) Collateral Agent shall have approved Borrower’s computation of pro forma EBITDA;

(h) not less than fifteen (15) Business Days prior to such Acquisition (or such later date approved by Collateral Agent in its sole discretion), Collateral Agent shall have received drafts of each material document, instrument and agreement to be executed in connection with such Acquisition together with all lien search reports and lien release letters and other documents as Collateral Agent may require to evidence the termination of all Liens on the assets, business or division to be acquired;

(i) reasonably prior to such Acquisition (or such later date approved by Collateral Agent in its sole discretion), Collateral Agent shall have received complete executed or conformed copies of each material document, instrument and agreement to be executed in connection with such Acquisition together with all lien search reports and lien release letters and other documents as Collateral Agent may require to evidence the termination of Liens on the assets, business or division to be acquired;

(j) the business, division, assets or Person acquired shall have generated positive EBITDA (calculated in a manner acceptable to Collateral Agent) for each of the twelve calendar months immediately preceding the Acquisition;

(k) consents shall have been obtained in favor of Collateral Agent to the collateral assignment of rights and indemnities under the related acquisition documents (or the acquisition documents shall permit the collateral assignment of the same to the Collateral Agent) and opinions of counsel for Borrower and its Subsidiaries and (if delivered to Borrower or any Subsidiary) the selling party in favor of Collateral Agent and the Lenders shall have been delivered;

(l) Borrower shall have provided Collateral Agent with pro forma forecasted balance sheets, profit and loss statements, and cash flow statements of Borrower and its Subsidiaries, all prepared on a basis consistent with Borrower's historical financial statements, subject to adjustments to reflect projected consolidated operations following the Acquisition, together with appropriate supporting details and a statement of underlying assumptions for the one year period following the date of the proposed Acquisition, on a month by month basis;

(m) Borrower shall have provided Collateral Agent with reasonable calculations evidencing that on a pro forma basis created by adding the historical combined financial statements of Borrower and its Subsidiaries (including the combined financial statements of any other Person or assets that were the subject of a prior Permitted Acquisition during the relevant period) to the historical consolidated financial statements of the entity to be acquired (or the historical financial statements related to the division, business or assets to be acquired) pursuant to the Acquisition, subject to adjustments to reflect projected consolidated operations following the Acquisition, Borrower and its Subsidiaries are projected to be in compliance with the financial covenants for each of the twelve months ended one year after the proposed date of consummation of such Acquisition;

(n) the Person acquired shall be a domestic Person and any assets, business or division acquired shall be located within the United States of America;

(o) the provisions of Section 6.12 shall have been satisfied, including, without limitation, simultaneously with the closing of such Acquisition, the target company (if such Acquisition is structured as a purchase of equity securities) or Borrower or the domestic Wholly-owned Subsidiary (if such Acquisition is structured as a purchase of assets or a merger and Borrower or the domestic Wholly-owned Subsidiary is the surviving entity) executes and delivers to Collateral Agent (a) such documents necessary to grant to Collateral Agent, on behalf of the Lenders, a Lien in all of the assets of such target company or surviving company, and their respective Subsidiaries, each in form and substance reasonably satisfactory to Collateral Agent and (b) an unlimited Guaranty of the Obligations, or at the option of Collateral Agent in Collateral Agent's absolute discretion, a joinder agreement satisfactory to Collateral Agent in which such target company or surviving company, and their respective Subsidiaries becomes a borrower under this Agreement and assumes primary, joint and several liability for the Obligations;

(p) if the Acquisition is structured as a merger, Borrower or one of Borrower's domestic Wholly-owned Subsidiaries that is a Borrower or Guarantor is the surviving entity;

(q) Borrower and its Subsidiaries shall not assume or acquire any Indebtedness for Borrowed Money in connection with such Acquisition to the extent such Indebtedness would not be permitted under Section 7.1 hereof; and

(r) to the extent readily available to Borrower or any domestic Wholly-owned Subsidiary, Borrower or such Subsidiary shall have provided Collateral Agent with such other information with respect to such Acquisition as reasonably requested by Collateral Agent.

"Permitted Lien" means a Lien expressly permitted hereunder pursuant to Section 7.2.

"Person" means an individual, partnership, corporation, limited liability company, association, trust, unincorporated organization or any other entity or organization, including a government or agency or political subdivision thereof.

"Plan" means any employee pension benefit plan covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code that either (a) is maintained by a member of the Controlled Group for employees of a member of the Controlled Group or (b) is maintained pursuant to a collective bargaining agreement or any other arrangement under which more than one employer makes contributions and to which a member of the Controlled Group is then making or accruing an obligation to make contributions or has within the preceding five plan years made contributions.

"Pledge Agreements" means each pledge agreement or similar agreement delivered to Collateral Agent in connection with this Agreement or any other Loan Document, as the same may be amended, modified, supplemented or restated from time to time.

"Premises" means the real property owned or leased by Borrower or any Subsidiary, including the real property and improvements thereon owned by Borrower or any Subsidiary subject to the Lien of the Mortgages or any other Collateral Documents.

“Property” means, as to any Person, all types of real, personal, tangible, intangible or mixed property owned by such Person whether or not included in the most recent balance sheet of such Person and its subsidiaries under GAAP.

“Proprietary Rights” means (a) all inventions (whether patentable or unpatentable and whether or not reduced to practice), all improvements thereto, and all patents, patent applications, and patent disclosures, together with all reissuances, continuations, continuations-in-part, revisions, extensions, and reexaminations thereof, (b) all trademarks, service marks, trade dress, logos, trade names, and corporate names, together with all translations, adaptations, derivations, and combinations thereof and including all goodwill associated therewith, and all applications, registrations, and renewals in connection therewith, (c) all copyrightable works, all copyrights, and all applications, registrations, and renewals in connection therewith, (d) all mask works and all applications, registrations, and renewals in connection therewith, (e) all trade secrets and confidential business information (including ideas, research and development, know-how, formulas, compositions, manufacturing and production processes and techniques, technical data, designs, drawings, specifications, customer and supplier lists, pricing and cost information, and business and marketing plans and proposals), (f) all computer software (including source code and related documentation), (g) all other proprietary rights, and (h) all copies and tangible embodiments thereof (in whatever form or medium), in each case excluding any Embedded Products and Commercial Software.

“Purchased Securities” means the Term Note and the Warrant Securities issued hereunder.

“Rate Management Agreement” means any agreement, device or arrangement providing for payments which are related to fluctuations of interest rates, exchange rates, forward rates, or equity prices, including, but not limited to, dollar-denominated or cross-currency interest rate exchange agreements, forward currency exchange agreements, interest rate cap or collar protection agreements, forward rate currency or interest rate options, puts and warrants, and any agreement pertaining to equity derivative transactions (e.g., equity or equity index swaps, options, caps, floors, collars and forwards), including without limitation any ISDA Master Agreement, or foreign exchange risk, currency risk, or risk with respect to commodities prices, and any schedules, confirmations and documents and other confirming evidence between the parties confirming transactions thereunder, all whether now existing or hereafter arising, and in each case as amended, modified or supplemented from time to time.

“Rate Management Obligations” means any and all obligations of Borrower or any Subsidiary, whether absolute, contingent or otherwise and howsoever and whensoever (whether now or hereafter) created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor), under or in connection with (i) any and all Rate Management Agreements, and (ii) any and all cancellations, buy-backs, reversals, terminations or assignments of any Rate Management Agreement.

“RCRA” means the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 and Hazardous and Solid Waste Amendments of 1984, 42 U.S.C. §§ 6901 et seq., and any future amendments.

“Receivables” means all rights to the payment of a monetary obligation, now or hereafter owing to Borrower or any Subsidiary, evidenced by accounts, instruments, chattel paper, or general intangibles.

“Related Agreements” means, collectively, (a) the Agama Purchase Documents, (b) the GPA Learn Purchase Documents and (c) the California Purchase Documents.

“Related Transactions” means, collectively, (a) the Agama Acquisition, (b) the GPA Learn Acquisition and (c) the California Acquisition.

“Release” means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, migration, dumping, or disposing into the indoor or outdoor environment, including the abandonment or discarding of barrels, drums, containers, tanks or other receptacles containing or previously containing any Hazardous Material.

“Reporting Company” means a Person that has a class of securities registered under the Exchange Act or is otherwise required to file reports with the SEC under the Exchange Act.

“Required Lenders” means the Lenders holding greater than 50% of the outstanding principal amount of the Term Loan.

“Restricted Payments” is defined in Section 7.6.

“S&P” means Standard & Poor’s Ratings Services Group, a division of The McGraw Hill Companies, Inc.

“Sandton” means Sandton Credit Opportunities Fund I, LP, together with any of its Affiliates and their respective successors and assigns.

“SEC” means the Securities and Exchange Commission.

“Securities Act” means the Securities Act of 1933, as amended, or any similar federal statute, and the rules and regulations thereunder as the same shall be in effect at the time.

“Security Agreement” means each general security agreement or similar agreement delivered to Collateral Agent in connection with this Agreement or any other Loan Document, including, without limitation, (a) that certain General Security Agreement dated as of the date hereof between Borrower and Collateral Agent, and (b) that certain General Security Agreement dated as of the date hereof between Stratitude and Collateral Agent, in each case as the same may be amended, restated, supplemented, or otherwise modified from time to time.

“Senior Debt” means the First Lien Obligations (as defined in the Senior Lender Intercreditor Agreement).

“Senior Debt Agreement” means the Credit Agreement, dated as of July 1, 2016, by and between the Loan Parties and the Senior Lender.

“Senior Debt Documents” means the Senior Debt Agreement and all agreements, instruments and documents executed in connection therewith.

“Senior Lender” means BMO Harris Bank N.A.

“Senior Lender Intercreditor Agreement” means the Intercreditor and Subordination Agreement, dated as of the date hereof, by and among the Senior Lender, Collateral Agent, Lender and the Loan Parties.

“Services” is defined in Section 5.23(g).

“Software Development Costs” means, with respect to any Person for any period, costs incurred to produce the finished product of licensed software programs after technological feasibility has been established and after all research and development activities for any other components of the product or process have been completed.

“Specified Contractual Obligations” is defined in Section 5.23(c).

“Stratitute” means Stratitute Inc., a California corporation, and Wholly-owned Subsidiary of Borrower and a Guarantor.

“Subordinated Debt” means, collectively, any Indebtedness for Borrowed Money which is subordinated in right of payment to the prior payment of the Obligations pursuant to subordination provisions approved in writing by Collateral Agent and is otherwise pursuant to documentation that is, which is in an amount that is, and which contains interest rates, payment terms, maturities, amortization schedules, covenants, defaults, remedies and other material terms that are, in each case, in form and substance satisfactory to Collateral Agent.

“Subordination Agreements” means, collectively, (a) the California Acquisition Subordination Agreement and (b) all other subordination agreements executed by a holder of Subordinated Debt in favor of Collateral Agent and the Lenders from time to time on or after the Closing Date in form and substance and on terms and conditions satisfactory to Collateral Agent.

“Subsidiary” means, as to any particular parent corporation or organization, any other corporation or organization more than 50% of the outstanding Voting Stock of which is at the time directly or indirectly owned by such parent corporation or organization or by any one or more other entities which are themselves subsidiaries of such parent corporation or organization. Unless otherwise expressly noted herein, the term “Subsidiary” means a Subsidiary of Borrower or of any of its direct or indirect Subsidiaries.

“Term Loan” is defined in Section 2.1(a).

“Term Note” is defined in Section 2.1(a)

“Third Party IP” is defined in Section 5.23(b).

“Total Funded Debt” means, at any time the same is to be determined for any Person, the sum (but without duplication) of (a) all Indebtedness for Borrowed Money of such Person at

such time (it being understood and agreed that Indebtedness for Borrowed Money constituting Earn Out Obligations shall be included to the extent that under GAAP such obligations are characterized as debt), and (b) all Indebtedness for Borrowed Money of any other Person which is directly or indirectly guaranteed by such Person or which such Person has agreed (contingently or otherwise) to purchase or otherwise acquire or in respect of which such Person has otherwise assured a creditor against loss.

“Total Funded Debt/EBITDA Ratio” means, as of any date, the ratio of Total Funded Debt of Borrower and its Subsidiaries as of such date to EBITDA of Borrower and its Subsidiaries for the period of four fiscal quarters then ended.

“TPI Agreements” is defined in [Section 5.23\(b\)](#).

“Trading Market” means any of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the NYSE AMEX, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market, the New York Stock Exchange, the OTC Bulletin Board, OTCQB, or OTCQX (or any successors to any of the foregoing).

“Transaction Documents” means, collectively, the Loan Documents, the Senior Debt Documents, the Asset Purchase Documents and the Stock Purchase Documents.

“UCC” is defined in the Security Agreement.

“Unfinanced Capital Expenditures” means the aggregate amount of Capital Expenditures made by Borrower and its Subsidiaries during such period to the extent permitted by this Agreement and not financed with proceeds of Indebtedness for Borrowed Money (but excluding revolving credit extended under the Senior Debt Agreement as in effect on the date hereof).

“Unfinanced Software Development Costs” means the aggregate amount of Software Development Costs made by Borrower and its Subsidiaries during such period to the extent permitted by this Agreement and not financed with proceeds of Indebtedness for Borrowed Money (but excluding revolving credit extended under the Senior Debt Agreement as in effect on the date hereof).

“Unfunded Vested Liabilities” means, for any Plan at any time, the amount (if any) by which the present value of all vested nonforfeitable accrued benefits under such Plan exceeds the fair market value of all Plan assets allocable to such benefits, all determined as of the then most recent valuation date for such Plan, but only to the extent that such excess represents a potential liability of a member of the Controlled Group to the PBGC or the Plan under Title IV of ERISA.

“U.S. Dollars” and “\$” each means the lawful currency of the United States of America.

“Voting Stock” of any Person means capital stock or other equity interests of any class or classes (however designated) having ordinary power for the election of directors or other similar governing body of such Person, other than stock or other equity interests having such power only by reason of the happening of a contingency.

“Warrant Securities” means the BIP Warrant and the Warrant Shares.

“Warrant Shares” means the shares of common stock of Borrower issued or issuable upon exercise of the BIP Warrant, together with any securities issued as (or issuable upon the conversion, exchange or exercise of any warrant, right, or other security that is issued as) a distribution with respect thereto, or in exchange for or in replacement thereof.

“Warrants” means, collectively, any and all warrants of any kind issued by Borrower at any time and from time to time.

“Welfare Plan” means a “welfare plan” as defined in Section 3(1) of ERISA.

“Wholly-owned Subsidiary” means a Subsidiary of which all of the issued and outstanding shares of capital stock (other than directors’ qualifying shares as required by law) or other equity interests are owned by Borrower and/or one or more Wholly-owned Subsidiaries within the meaning of this definition.

Section 1.2 Interpretation. The foregoing definitions are equally applicable to both the singular and plural forms of the terms defined. The words “hereof”, “herein”, and “hereunder” and words of like import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” All references to time of day herein are references to Atlanta, Georgia, time unless otherwise specifically provided. Where the character or amount of any asset or liability or item of income or expense is required to be determined or any consolidation or other accounting computation is required to be made for the purposes of this Agreement, it shall be done in accordance with GAAP except where such principles are inconsistent with the specific provisions of this Agreement.

Section 1.3 Change in Accounting Principles. If, after the date of this Agreement, there shall occur any change in GAAP from those used in the preparation of the financial statements referred to in Section 5.5 and such change shall result in a change in the method of calculation of any financial covenant, standard or term found in this Agreement, either Borrower or Collateral Agent may by notice to the other require that Borrower and Collateral Agent negotiate in good faith to amend such covenants, standards, and terms so as equitably to reflect such change in accounting principles, with the desired result being that the criteria for evaluating the financial condition of Borrower and its Subsidiaries shall be the same as if such change had not been made. No delay by Borrower or Collateral Agent in requiring such negotiation shall limit their right to so require such a negotiation at any time after such a change in accounting principles. Until any such covenant, standard, or term is amended in accordance with this Section 1.3, financial covenants shall be computed and determined in accordance with GAAP in effect prior to such change in accounting principles. Without limiting the generality of the foregoing, Borrower shall neither be deemed to be in compliance with any financial covenant hereunder nor out of compliance with any financial covenant hereunder if such state of compliance or noncompliance, as the case may be, would not exist but for the occurrence of a change in accounting principles after the date hereof.

SECTION 2. THE CREDIT FACILITY.

Section 2.1 Purchase and Sale of the Term Note and BIP Warrant.

(a) Borrower shall issue and sell to Lender, and Lender shall acquire from Borrower, on the Closing Date a term loan note (the “*Term Note*”) and make an advance thereunder in the amount of \$5,075,000 (the “*Term Loan*”), and Borrower shall sell to Lender, on the Closing Date, the BIP Warrant, for an aggregate, combined purchase price of \$5,075,000. Lender directs Borrower to issue the BIP Warrant to Collateral Agent on behalf of Lender.

Section 2.2 Interest.

(a) *Interest Rate; Payments.*

(i) Interest on the outstanding principal amount of the Notes shall accrue from and including the date of issuance through and until full and final repayment of the principal amount of the Notes and payment of all interest in full at the Interest Rate, and shall be computed on the basis of the actual number of days elapsed and a 360-day year.

(ii) On the first day of each month in which the Notes are outstanding commencing on December 1, 2016, Borrower shall, pay in arrears in cash, by wire transfer to an account designated in writing by Lender, all accrued but unpaid interest; provided, that if any day on which interest is to be paid is not a Business Day, such interest shall be paid on the next succeeding Business Day to occur after such date.

Section 2.3 Maturity of Term Loan. Scheduled Payments of Term Loan. Borrower shall make principal payments on the Term Loan in 16 equal quarterly installments on the last day of each March, June, September, and December in each year, commencing with the calendar quarter ending December 31, 2019, with the amount of each such principal installment to equal \$298,529.41, it being agreed that a final payment comprised of all principal and interest then outstanding on the Term Loan shall be due and payable on November 3, 2023 (the “*Maturity Date*”).

Section 2.4 Prepayments. (a) *Optional Prepayments.* Borrower may prepay in whole or in part the Notes at any time upon three (3) Business Days prior notice by Borrower to Collateral Agent, such prepayment to be made by the payment of the principal amount to be prepaid and accrued interest thereon to the date fixed for prepayment plus all outstanding and unpaid fees and expenses payable to Lender and Collateral Agent under the Loan Documents through the date of such prepayment, plus a percentage (the “*Premium Percentage*”) of the principal amount of the Notes being redeemed, determined in accordance with the following schedule:

<u>Date of Prepayment</u>	<u>Premium Percentage</u>
Before the first anniversary of the Closing Date	8%
On or after the first anniversary of the Closing Date, but prior to the second anniversary of the Closing Date	6%
On or after the second anniversary of the Closing Date	0%

Borrower acknowledges that the foregoing prepayment premiums represent a reasonable and fair estimate for the loss that Lender may sustain from the prepayment of the Notes, and further acknowledge that except as specifically provided herein Borrower has no right to optionally prepay the Notes in whole or in part without paying the foregoing prepayment premiums.

(b) *Mandatory Prepayments.*

(i) If Borrower or any Subsidiary shall at any time or from time to time make or agree to make a Disposition or shall suffer an Event of Loss with respect to any Property and the Senior Debt has been paid in full, then Borrower shall promptly notify Collateral Agent of such proposed Disposition or Event of Loss (including the amount of the estimated Net Cash Proceeds to be received by Borrower or such Subsidiary in respect thereof) and, promptly (and in any event within five (5) Business Days) upon receipt by Borrower or such Subsidiary of the Net Cash Proceeds of such Disposition or Event of Loss, Borrower shall prepay the Obligations in an aggregate amount equal to 100% of the amount of all such Net Cash Proceeds; *provided* that (x) so long as no Event of Default then exists, this subsection shall not require any such prepayment with respect to Net Cash Proceeds received on account of an Event of Loss so long as such Net Cash Proceeds are applied to replace or restore the relevant Property in accordance with the relevant Collateral Documents, and (y) this subsection shall not require any such prepayment with respect to Net Cash Proceeds received on account of Dispositions during any fiscal year of Borrower not exceeding \$250,000.00 in the aggregate so long as no Event of Default then exists. The Premium Percentage shall be due and payable in connection with any application of Net Cash Proceeds in accordance with this Section 2.4(b)(i). All such Net Cash Proceeds payable to the Lender shall be applied in accordance with the provisions of Section 2.9.

(ii) If after the Closing Date, the Senior Debt has been paid in full and Borrower or any Subsidiary shall (x) issue new equity securities (whether common or preferred stock or otherwise, including, for the avoidance of doubt, any equity raise of any kind), other than common equity securities issued made after obtaining the prior written consent of Collateral Agent, or (y) sell equity securities (whether common or preferred stock or otherwise), other than (i) common equity securities of the Borrower issued to management, directors, and employees of the Borrower or any Subsidiary pursuant to any management, director and/or employee benefit plan or compensation plan, (ii) common equity securities issued by any Subsidiary of the Borrower to the Borrower so long as such issuance complies with the relevant provisions of the Security Agreement or (iii) equity securities sold after obtaining the prior written consent of Collateral Agent, Borrower shall promptly notify Collateral Agent of the estimated Net Cash Proceeds of such issuance or sale, as applicable, to be received by or for the account of Borrower or such Subsidiary in respect thereof. Promptly (and in any event within three (3) Business Days) upon receipt by Borrower or such Subsidiary of Net Cash Proceeds of such issuance or sale, as applicable, Borrower shall prepay the Obligations in an aggregate amount equal to 100% of the amount of such Net Cash Proceeds. The Premium Percentage shall be due and payable in connection with any application of Net Cash Proceeds in accordance with this Section 2.4(b)(ii).

All such Net Cash Proceeds payable to the Lenders shall be applied in accordance with the provisions of Section 2.9. Borrower acknowledges that its performance hereunder shall not limit the rights and remedies of Collateral Agent or Lenders for any breach of Section 7.5 (Maintenance of Subsidiaries) or Section 8.1(i) (Change of Control) hereof or any other terms of the Loan Documents.

(iii) If after the Closing Date, the Senior Debt has been paid in full and Borrower or any Subsidiary shall (x) issue any Indebtedness for Borrowed Money, other than Indebtedness for Borrowed Money permitted by Section 7.1 hereof, or (y) sell any Indebtedness for Borrowed Money, other than Indebtedness for Borrowed Money sold after obtaining the prior written consent of Collateral Agent, Borrower shall promptly notify Collateral Agent of the estimated Net Cash Proceeds of such issuance or sale, as applicable, to be received by or for the account of Borrower or such Subsidiary in respect thereof. Promptly (and in any event within three (3) Business Days) upon receipt by Borrower or such Subsidiary of Net Cash Proceeds of such issuance or sale, as applicable, Borrower shall prepay the Obligations in an aggregate amount equal to 100% of the amount of such Net Cash Proceeds. The Premium Percentage shall be due and payable in connection with any application of Net Cash Proceeds in accordance with this Section 2.4(b)(iii). All such Net Cash Proceeds payable to the Lenders shall be applied in accordance with the provisions of Section 2.9. Borrower acknowledges that its performance hereunder shall not limit the rights and remedies of Collateral Agent and Lenders for any breach of Section 7.1 or any other terms of the Loan Documents.

(iv) If after the Closing Date, Borrower or any Subsidiary shall issue any Subordinated Debt or sell any Subordinated Debt, Borrower shall promptly notify Collateral Agent of the estimated Net Cash Proceeds of such issuance or sale, as applicable, to be received by or for the account of Borrower or such Subsidiary in respect thereof. If the Senior Debt has been paid in full then promptly (and in any event within three (3) Business Days) upon receipt by Borrower or such Subsidiary of Net Cash Proceeds of such issuance or sale, as applicable, Borrower shall prepay the Obligations in an aggregate amount equal to 100% of the amount of such Net Cash Proceeds. The Premium Percentage shall be due and payable in connection with any application of Net Cash Proceeds in accordance with this Section 2.4(b)(iv). All such Net Cash Proceeds payable to the Lenders shall be applied in accordance with the provisions of Section 2.9.

Borrower acknowledges that its performance hereunder shall not limit the rights and remedies of Collateral Agent and Lenders for any breach of Section 7.1 or any other terms of the Loan Documents.

(v) Intentionally Omitted.

(vi) Intentionally Omitted.

(vii) Upon the occurrence of (A) a Change of Control or (B) an Event of Default, at the election of the Required Lenders, Borrower shall be required to redeem the Notes and any other outstanding Obligations in full by payment of an amount equal to the unpaid principal balance thereof, plus all unpaid interest accrued thereon through the date of redemption, plus all outstanding and unpaid fees and expenses payable to the Lenders and the Collateral Agent under the Loan Documents through the date of redemption, plus (x) the principal amount of the Notes being redeemed multiplied by (y) the applicable Premium Percentage.

(viii) Intentionally Omitted.

(ix) In addition, the Notes shall be subject to acceleration as set forth in Sections 8.2 and 8.3 below. The Premium Percentage shall be due and payable in connection with any application of amounts received in respect of the Notes following any such acceleration.

Section 2.5 Default Rate. Notwithstanding anything to the contrary contained herein, upon and during the occurrence of any Event of Default, all amounts outstanding under the Notes shall bear interest from the date of the occurrence of such Event of Default until such Event of Default is cured or waived in writing at a rate equal to the sum of (i) the Interest Rate payable as provided in Section 2.2 above plus (ii) an additional three percent (3%) per annum (the “*Default Rate*”), which interest shall be payable to each Lender in cash on demand.

Section 2.6 Evidence of Indebtedness.

(a) Collateral Agent shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of Borrower hereunder, including the amounts of principal and interest payable and paid to Lenders from time to time hereunder.

(b) The entries maintained in the account(s) maintained pursuant to paragraph (a) above shall be prima facie evidence of the existence and amounts of the Obligations therein recorded; *provided*, that the failure of Collateral Agent to maintain such account(s) or any error therein shall not in any manner affect the obligation of Borrower to repay the Obligations in accordance with their terms.

Section 2.7 Fees and Expenses.

(a) *Structuring Fee.* Concurrently with the execution hereof, unless paid earlier, Borrower shall pay to Lender an amount equal to \$75,000 as a structuring fee.

(b) *Administrative Fee.* On the first day of each month, commencing on December 1, 2016, and at maturity, Borrower shall pay in arrears to Collateral Agent an administrative fee for its own account equal to (i) 1% of the then outstanding principal balance of the Term Loan *divided by* (ii) 12.

(c) *Audit Fees.* Borrower shall pay to Collateral Agent charges for audits of the Collateral performed by Collateral Agent or its agents or representatives in such amounts as Collateral Agent may from time to time request (Collateral Agent acknowledging and agreeing that such charges shall be computed in the same manner as it at the time customarily uses for the assessment of charges for similar collateral audits); *provided*, however, that in the absence of the existence of any Default or Event of Default, the Borrower shall not be required to pay Collateral Agent for more than one (1) such audit per calendar year.

(d) *Reimbursement of Expenses.* On the Closing Date, Borrower shall reimburse all of Collateral Agent’s and Lender’s reasonable fees and expenses (including, without limitation, reasonable fees, charges and disbursements of counsel and other reasonable out-of-pocket expenses, consultant fees, travel expenses, background checks and other expenses) incurred in connection with (i) the preparation, negotiation and execution and delivery of this Agreement

and the Loan Documents, (ii) Collateral Agent's and the Lenders' due diligence investigation, and (iii) the other transactions contemplated by this Agreement and the Loan Documents (including filings or other actions required to perfect the Liens granted under the Collateral Documents).

Section 2.8 Pro Rata Treatment. All payments of any principal of, or interest on, the Notes shall be made ratably among the Lenders in accordance with the aggregate amount of principal of, and accrued interest on, their respective Notes. Upon the occurrence and during the continuation of an Event of Default, in addition to all other rights and remedies that may then be available to any Lender, each Lender is hereby authorized at any time and from time to time, without notice to any Loan Party (any such notice being expressly waived by the Loan Parties) to set off and apply any and all indebtedness at any time owing by such Lender to or for the credit or the account of the Loan Parties against all Obligations which may be owed to such Lender. If any Lender shall, by exercising any right of set-off or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Notes, resulting in such Lender receiving payment of a greater proportion of the aggregate principal amount of its Notes and accrued interest thereon than the proportion of such amounts received by any other Lender, then the Lender receiving such greater proportion shall purchase (for cash at face value) participations in the Notes of the other Lenders to the extent necessary so that the benefit of such payments shall be shared by all Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Notes; provided that (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest unless the Lender from which such payment is recovered is required to pay interest thereon, in which case each Lender returning funds to such Lender shall pay its pro rata share of such interest, and (ii) the provisions of this paragraph shall not be construed to apply to any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Notes to any assignee or participant, other than to any Loan Party (as to which the provisions of this paragraph shall apply). Borrower consents to the foregoing and agree, to the extent they may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise rights of set-off and counterclaim against Borrower with respect to such participation as fully as if such Lender were a direct creditor of Borrower in the amount of such participation.

Section 2.9 Place and Application of Payments. All payments of principal, interest, fees, and all other Obligations payable under the Loan Documents shall be made to Collateral Agent on behalf of Lenders at its office at 3575 Piedmont Road NE, Building 15, Suite 730, Atlanta, Georgia, 30305 (or at such other place as Collateral Agent may specify) no later than 1:00 p.m. on the date any such payment is due and payable. Payments received by Collateral Agent after 1:00 p.m. shall be deemed received as of the opening of business on the next Business Day. All such payments shall be made in lawful money of the United States of America, in immediately available funds at the place of payment, without set-off or counterclaim and without reduction for, and free from, any and all present or future taxes, levies, imposts, duties, fees, charges, deductions, withholdings, restrictions, and conditions of any nature imposed by any government or any political subdivision or taxing authority thereof (but excluding any taxes imposed on or measured by the net income of Lenders). All payments shall be applied (a) first, to that portion of the Obligations constituting fees, indemnities, expenses and

other amounts, including attorney fees, payable to Collateral Agent and Lenders, (b) second, to the payment of that portion of the Obligations constituting accrued and unpaid interest on the Notes and (c) third, to the payment of that portion of the Obligations constituting unpaid principal of the Notes (including any Premium Percentage). All payments made by Borrower upon the Notes (including, without limitation, payments of principal if prepaid or upon earlier acceleration) or in respect of the Obligations shall be paid to Collateral Agent to be distributed proportionally among Lenders (if more than one) based upon the outstanding principal amounts of the Notes held by each Lender.

Section 2.10 Allocation of Purchase Price. Borrower and Lender acknowledge that under the regulations of the United States Department of Treasury, the making of the Term Loan and the issuance of the BIP Warrant for an aggregate, combined purchase price will require the amount advanced on the Closing Date to be allocated between the Term Loan and the BIP Warrant based on their relative fair market values. After taking into account all relevant factors Borrower, and Lender agree to allocate \$5,065,000 of the amount advanced under the Term Loan to the Term Loan and \$10,000 of the amount advanced under the Term Loan to the BIP Warrant. Neither Borrower nor Lender will take any position for United States federal income Tax purposes that is inconsistent with the provisions of this Section 2.10.

SECTION 3. CHANGE IN CIRCUMSTANCES.

Section 3.1 Withholding Taxes. Except as otherwise required by law, each payment by Borrower under this Agreement or the other Loan Documents shall be made without withholding for or on account of any present or future taxes (other than overall net income taxes on the recipient) imposed by or within the jurisdiction in which Borrower is domiciled, any jurisdiction from which Borrower makes any payment, or (in each case) any political subdivision or taxing authority thereof or therein. If any such withholding is so required, Borrower shall make the withholding, pay the amount withheld to the appropriate Governmental Authority before penalties attach thereto or interest accrues thereon, and forthwith pay such additional amount as may be necessary to ensure that the net amount actually received by Lenders free and clear of such taxes (including such taxes on such additional amount) is equal to the amount that such Lender would have received had such withholding not been made. If Collateral Agent or any Lender pays any amount in respect of any such taxes, penalties or interest, Borrower shall reimburse Collateral Agent or such Lender for that payment on demand in the currency in which such payment was made. If Borrower pays any such taxes, penalties or interest, it shall deliver official tax receipts evidencing that payment or certified copies thereof to Collateral Agent on or before the thirtieth day after payment.

Section 3.2 Documentary Taxes. Borrower agrees to pay on demand any documentary, stamp or similar taxes payable in respect of this Agreement or any other Loan Document, including interest and penalties, in the event any such taxes are assessed, irrespective of when such assessment is made and whether or not any credit is then in use or available hereunder.

SECTION 4. CONDITIONS PRECEDENT.

Section 4.1 Initial Credit Event. The obligation of Lender to participate in any initial Credit Event hereunder is subject to satisfaction or waiver by Collateral Agent of the following conditions precedent:

(a) Collateral Agent shall have received each of the following, in each case (i) duly executed by all applicable parties, (ii) dated a date satisfactory to Collateral Agent and (iii) in form and substance satisfactory to Collateral Agent:

(i) this Agreement duly executed by Borrower, Lender and Collateral Agent;

(ii) the duly executed Term Note in the form attached hereto as Exhibit B evidencing the Term Loan;

(iii) the Security Agreement and each of the other Collateral Documents required by Collateral Agent, together with (i) UCC financing statements to be filed against Borrower and each Subsidiary, as debtor, in favor of Collateral Agent, as secured party on behalf of Lenders, and (ii) patent, trademark, and copyright collateral agreements to the extent requested by Collateral Agent;

(iv) evidence of all insurance required to be maintained under the Loan Documents;

(v) copies of each Loan Party's articles of incorporation and bylaws (or comparable organizational documents) and any amendments thereto, certified in each instance by its Secretary or Assistant Secretary;

(vi) copies of resolutions of each Loan Party's Board of Directors (or similar governing body) authorizing the execution, delivery and performance of this Agreement and the other Loan Documents to which it is a party and the consummation of the transactions contemplated hereby and thereby, together with specimen signatures of the persons authorized to execute such documents on such Loan Party's behalf, as applicable, all certified in each instance by its Secretary or Assistant Secretary;

(vii) such documents and certifications as Collateral Agent may reasonably require to evidence that each Loan Party is validly existing, in good standing, and qualified to engage in business in its jurisdiction of organization and in any other jurisdiction in which the nature of Borrower's or such Subsidiary's business requires such qualification;

(viii) a list of Borrower's Authorized Representatives;

(ix) evidence in form and substance acceptable to Collateral Agent that no less than \$400,000 of principal of the MGL Seller Note will be paid from the proceeds of the Term Loan;

(x) financing statement, tax, and judgment lien search results against the Property of Borrower and each Subsidiary evidencing the absence of Liens on its Property except as permitted by Section 7.2;

(xi) pay off and lien release letters from secured creditors of Borrower and each Subsidiary (other than the Senior Lender) setting forth, among other things, the total amount of indebtedness outstanding and owing to them (or outstanding letters of credit issued for the account of Borrower or any Subsidiary) and containing an undertaking to cause to be delivered to Collateral Agent, UCC termination statements and any other lien release instruments necessary to release their Liens on the assets of Borrower and each Subsidiary;

(xii) evidence reasonably satisfactory to Collateral Agent that all indebtedness to creditors referenced in the preceding paragraph has been (or concurrently with the making of the Term Loan will be) paid in full, and that all agreements and instruments governing indebtedness and that all Liens securing such indebtedness have been (or concurrently with the making of the Term Loan will be) terminated;

(xiii) favorable written opinions of counsel to Borrower and each Subsidiary;

(xiv) a fully executed Internal Revenue Service Form W-9 for Borrower;

(xv) a certified copy of the Transaction Documents (other than the Loan Documents) and evidence, in form and substance satisfactory to Collateral Agent, that the transactions contemplated thereby have been, or contemporaneously with the closing hereof will be, consummated;

(xvi) evidence, reasonably satisfactory to Collateral Agent, that Borrower has completed the Related Transactions in accordance with the terms of the Related Agreements (without any amendment thereto or waiver thereunder unless consented to by Collateral Agent);

(xvii) a Guaranty executed by Stratitude Inc.; and

(xviii) such other agreements, instruments, documents, certificates, and opinions as Collateral Agent may reasonably request.

(b) Collateral Agent shall have received the initial fees called for by Section 2.7, together with all other fees, costs and expenses required to be paid by Borrower at or before closing;

(c) the capital and organizational structure of Borrower and its Subsidiaries shall be satisfactory to Collateral Agent, including, without limitation, the structure and terms of any preferred equity securities of Collateral Agent shall be satisfactory to Collateral Agent;

(d) completion of all due diligence with respect to Borrower and its Subsidiaries which shall be satisfactory to Collateral Agent, including, without limitation, satisfactory discussions with Borrower's accountants and an insurance review;

(e) all legal, tax and regulatory matters relating to the Term Loan and any transactions financed with the proceeds thereof shall be satisfactory to Collateral Agent;

(f) Collateral Agent shall have received each document (including UCC financing statements) required by the Collateral Documents or under law or reasonably requested by Collateral Agent to be filed, registered or recorded in order to create in favor of Collateral Agent a perfected Lien on the collateral described therein, prior to any other Liens (subject only to Liens permitted pursuant to Section 7.2), in proper form for filing, registration or recording;

(g) there shall not have occurred since December 31, 2015, any developments or events which individually or in the aggregate with other such circumstances has had or could reasonably be expected to have a Material Adverse Effect;

(h) Collateral Agent shall have received a completed third party verification for the Trizetto platform implementation, together with auditor confirmation that licensing fee revenues of \$3,100,000 will be recognized in financial statements of Borrower and its Subsidiaries for the period ending as of June 30, 2016;

(i) the acquisition of and payment for the Term Note to be acquired by Lender hereunder and the consummation of the transactions contemplated hereby, including the issuance of the BIP Warrant, (i) shall not be prohibited by any law, treaty, code, rule, regulation, right, privilege, qualification, license or franchise, or any determination of an arbitrator or a court or other Governmental Authority, and (ii) shall not subject Collateral Agent or Lender to any penalty or other onerous condition under or pursuant to any law, treaty, code, rule, regulation, right, privilege, qualification, license or franchise, or any determination of an arbitrator or a court or other Governmental Authority;

(j) there shall not be on the Closing Date any judgment, injunction or order of a court of competent jurisdiction or any ruling of any Governmental Authority which, in the reasonable judgment of Collateral Agent, would prohibit the transactions contemplated hereby or subject Collateral Agent or Lender to any penalty or other onerous condition under or pursuant to any requirement of law; and

(k) no action, suit or proceeding by or before any court or any Governmental Authority shall have been commenced or threatened, and no investigation by any Governmental Authority shall have been commenced, against Collateral Agent, Lender, Borrower or any other Loan Party, in each case, to the extent such action, suit, proceeding or investigation seeks to restrain, prevent or change the transactions contemplated hereby or questions the validity or legality of any of such transactions.

Section 4.2 All Credit Events. The obligation of the Lenders to participate in any Credit Event (including any initial Credit Event) hereunder is subject to the following conditions precedent:

(a) with respect to any initial Credit Event made on the Closing Date, each of the representations and warranties set forth herein and in the other Loan Documents shall be and remain true and correct in all respects as of said time, except to the extent the same expressly

relate to an earlier date, in which case such representations and warranties shall be and remain true and correct in all respects as of such earlier date; and

- (b) no Default or Event of Default shall have occurred and be continuing or would occur as a result of such Credit Event.

SECTION 5. REPRESENTATIONS AND WARRANTIES OF BORROWER.

Borrower represents and warrants to Collateral Agent and the Lenders as follows:

Section 5.1 Organization and Qualification. Borrower (a) is duly organized, validly existing, and in good standing as a corporation under the laws of the State of Illinois, (b) has full and adequate power to own its Property and conduct its business as now conducted, and (c) is duly licensed or qualified and in good standing in each jurisdiction in which the nature of the business conducted by it or the nature of the Property owned or leased by it requires such licensing or qualifying, except, with respect to this clause (c), where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

Section 5.2 Subsidiaries; Warrants. Each Subsidiary (a) is duly organized, validly existing, and in good standing under the laws of the jurisdiction in which it is organized, (b) has full and adequate power to own its Property and conduct its business as now conducted, and (c) is duly licensed or qualified and in good standing in each jurisdiction in which the nature of the business conducted by it or the nature of the Property owned or leased by it requires such licensing or qualifying, except, with respect to this clause (c), where the failure to do so could not reasonably be expected to have a Material Adverse Effect. Schedule 5.2 hereto identifies each Subsidiary, the jurisdiction of its organization, the percentage of issued and outstanding shares of each class of its capital stock or other equity interests owned by Borrower and the other Subsidiaries and, if such percentage is not 100% (excluding directors' qualifying shares as required by law), a description of each class of its authorized capital stock and other equity interests and the number of shares of each class issued and outstanding. All of the outstanding shares of capital stock and other equity interests of Borrower and each Subsidiary are validly issued and outstanding and, to the extent applicable, fully paid and non-assessable and all such shares and other equity interests indicated on Schedule 5.2 as owned by Borrower or another Subsidiary are owned, beneficially and of record, by Borrower or such Subsidiary free and clear of all Liens other than the Liens granted in favor of Collateral Agent on behalf of the Lenders pursuant to the Collateral Documents. The issuance of the foregoing capital stock (including, without limitation, the BIP Warrant and the capital stock of Borrower issuable thereunder) is not and has not been subject to preemptive rights in favor of any Person other than such rights that have been waived or which will be terminated effective as of the Closing Date and will not result in the issuance of any additional capital stock of the Loan Parties or the triggering of any anti-dilution or similar rights contained in the Loan Parties' Constituent Documents or any options, warrants, debentures or other securities or agreements of the Loan Parties. Except as set forth on Schedule 5.2, as of the date hereof, there are no outstanding commitments or other obligations of Borrower to issue, and no options, warrants or other rights of any Person to acquire, any shares of any class of capital stock or other equity interests of Borrower. There are no outstanding commitments or other obligations of any Subsidiary of Borrower to issue, and no options, warrants or other rights of any Person to acquire, any shares of any class of capital stock or other

equity interests of any Subsidiary of Borrower. Borrower has specifically authorized and set aside the number of shares of common capital stock needed in respect of all outstanding Warrants so that the total number of authorized shares of common capital stock of Borrower is no less than the sum of (x) the number of shares needed if all outstanding Warrants are exercised, plus (y) the number of issued and outstanding shares of common capital stock of the Company. On the Closing Date, except pursuant to the BIP Warrant or as set forth on Schedule 5.2 no Loan Party has any obligation, whether mandatory or at the option of any other Person, at any time to redeem or repurchase the capital stock of any Loan Party, pursuant to the terms of its Constituent Documents or otherwise.

Section 5.3 *Authority and Validity of Obligations.* Borrower has the requisite right and authority to enter into this Agreement and the other Loan Documents executed by it, to make the borrowings herein provided for, to grant to Collateral Agent on behalf of the Lenders the Liens described in the Collateral Documents executed by Borrower, and to perform all of its obligations hereunder and under the other Loan Documents executed by it. Each Subsidiary has the requisite right and authority to enter into the Loan Documents executed by it, to guarantee the Obligations, to grant to Collateral Agent on behalf of the Lenders the Liens described in the Collateral Documents executed by such Person, and to perform all of its obligations under the Loan Documents executed by it. The Loan Documents delivered by Borrower and its Subsidiaries have been duly authorized, executed, and delivered by such Persons and constitute valid and binding obligations of Borrower and its Subsidiaries enforceable against them in accordance with their terms, except as enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance or similar laws affecting creditors' rights generally and general principles of equity (regardless of whether the application of such principles is considered in a proceeding in equity or at law); and this Agreement and the other Loan Documents do not, nor does the performance or observance by Borrower or any Subsidiary of any of the matters and things herein or therein provided for, (a) contravene or constitute a default under any provision of law or any judgment, injunction, order or decree binding upon Borrower or any Subsidiary or any provision of the organizational documents (e.g., charter, certificate or articles of incorporation and bylaws, certificate or articles of association and operating agreement, partnership agreement, or other similar organizational documents) of Borrower or any Subsidiary, (b) conflict with, contravene or constitute a default under any material indenture or agreement of or affecting Borrower or any Subsidiary or any of their Property, or (c) result in the creation or imposition of any Lien on any Property of Borrower or any Subsidiary other than the Liens granted in favor of Collateral Agent on behalf of the Lenders pursuant to the Collateral Documents.

Section 5.4 *Use of Proceeds; Margin Stock.* Borrower shall use the proceeds of the Term Loan to repay the existing debt to be repaid on the Closing Date, to finance Capital Expenditures and Permitted Acquisitions, to fund certain fees and expenses incurred in connection with entering into this Agreement and the transactions contemplated thereby and for its general working capital purposes and for such other general corporate purposes as are consistent with all applicable laws. Neither Borrower nor any Subsidiary is engaged, principally or as one of its important activities, in the business of purchasing or carrying margin stock or in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System), and no part of the proceeds of the Term Loan or any other extension of credit made hereunder will be used to purchase or carry any such margin stock or to extend credit to others for the purpose of

purchasing or carrying any such margin stock. Margin stock (as hereinabove defined) constitutes less than 25% of the assets of Borrower and its Subsidiaries which are subject to any limitation on sale, pledge or other restriction hereunder.

Section 5.5 Financial Reports. (a) The consolidated balance sheet of Borrower as at December 31, 2015, and the related consolidated statements of income, retained earnings and cash flows of Borrower for the fiscal year then ended, and accompanying notes thereto, which financial statements are accompanied by the audit report of Schulman, Lobel, Zand, Katzen, Williams & Blackman LLP, independent public accountants, and the unaudited interim consolidated balance sheet of Borrower as at June 30, 2016, and the related consolidated statements of income, retained earnings and cash flows of Borrower for the six (6) months then ended, heretofore furnished to Collateral Agent, fairly present the consolidated financial condition of Borrower as at said dates and the consolidated results of their operations and cash flows for the periods then ended in conformity with GAAP applied on a consistent basis. Neither Borrower nor any Subsidiary has any contingent liabilities which are material to it other than as indicated on such financial statements and, with respect to future periods, neither Borrower nor any Subsidiary has any contingent liabilities which are material to it other than as indicated on the financial statements furnished pursuant to Section 6.5. As of the dates of the Financial Statements, no Loan Party had any known obligation, indebtedness or liability (whether accrued, absolute, contingent or otherwise, and whether due or to become due), which was not reflected or reserved against in the balance sheets which are part of the Financial Statements, except for those incurred in the ordinary course of business and which are fully reflected on the books of account of the Loan Party, as applicable, or which, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect. Except as previously disclosed to the Collateral Agent, all of the SEC Reports filed prior to the date of this Agreement, as of their respective dates thereof, complied in all material respects, as applicable, with the Act and the Exchange Act. All of the SEC Reports filed on or after the Closing Date, as of their respective dates thereof, will comply in all material respects, as applicable, with the Act and the Exchange Act.

(b) The balance sheet of each of Agama Solutions Inc. and Stratitute as at December 31, 2014 and December 31, 2015, and the related statements of income, retained earnings and cash flows of each of Agama Solutions Inc. and Stratitute for the fiscal years then ended, and accompanying notes thereto, which financial statements are accompanied by a quality of earnings report, the unaudited interim income statement of each of Agama Solutions Inc. and Stratitute for each of the calendar months ending as of July 31, 2016 and August 31, 2016, and the unaudited interim consolidated income statement of Borrower and its Subsidiaries as at August 31, 2016, in each case heretofore furnished to the Agent, fairly present the consolidated financial condition of Agama Solutions Inc., Stratitute and/or Borrower and its Subsidiaries, as applicable, as at said dates and the consolidated results of their operations and cash flows for the periods then ended in conformity with GAAP applied on a consistent basis. Neither Borrower nor any Subsidiary has any contingent liabilities which are material to it other than as indicated on such financial statements and, with respect to future periods, neither Borrower nor any Subsidiary has any contingent liabilities which are material to it other than as indicated on the financial statements furnished pursuant to Section 6.5.

Section 5.6 No Material Adverse Change. Since December 31, 2015, there has been no change in the condition (financial or otherwise) or business prospects of Borrower or any Subsidiary except those occurring in the ordinary course of business, none of which individually or in the aggregate could reasonably be expected to have a Material Adverse Effect.

Section 5.7 Full Disclosure. The statements and information furnished to Collateral Agent or the Lenders in connection with the negotiation of this Agreement and the other Loan Documents and the commitments by the Lenders to provide all or part of the financing contemplated hereby do not contain any untrue statements of a material fact or omit a material fact necessary to make the statements contained herein or therein not misleading, Collateral Agent and the Lenders acknowledging that (a) as to any projections furnished to Collateral Agent or the Lenders, Borrower only represents that the same were prepared on the basis of information and estimates Borrower believed to be reasonable, (b) any financial or business projections furnished to Collateral Agent or the Lenders by Borrower or any of its Subsidiaries are subject to future uncertainties and contingencies, which may be beyond Borrower's or any of its Subsidiaries' control and no assurance is given by Borrower that the results forecast in any such projections will be realized, and (c) the actual results may differ from the forecast results set forth in such projections and such differences may be material.

Section 5.8 Trademarks, Franchises, and Licenses. Borrower and its Subsidiaries own, possess, or have the right to use all necessary patents, licenses, franchises, trademarks, trade names, trade styles, copyrights, trade secrets, know how, and confidential commercial and proprietary information to conduct their businesses as now conducted, without known conflict with any patent, license, franchise, trademark, trade name, trade style, copyright or other proprietary right of any other Person.

Section 5.9 Governmental Authority and Licensing. Borrower and its Subsidiaries have received all licenses, permits, and approvals of all Governmental Authorities, if any, necessary to conduct their businesses, in each case except where the failure to obtain or maintain the same could not reasonably be expected to have a Material Adverse Effect. No investigation or proceeding is pending or, to the knowledge of Borrower, threatened, before or by any Governmental Authority that could reasonably be expected to have a Material Adverse Effect.

Section 5.10 Good Title. Borrower and its Subsidiaries have good and defensible title (or valid leasehold interests) to their assets as reflected on the most recent consolidated balance sheet of Borrower and its Subsidiaries furnished to Collateral Agent (except for sales of assets in the ordinary course of business), subject to no Liens other than such thereof as are permitted by Section 7.2.

Section 5.11 Litigation and Other Controversies. There is no litigation or governmental or arbitration proceeding or labor controversy pending, or, to the knowledge of Borrower, threatened, against Borrower or any Subsidiary or any of their Property which, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

Section 5.12 Taxes. All tax returns required to be filed by Borrower or any Subsidiary in any jurisdiction have, in fact, been filed, and all taxes, assessments, fees, and other governmental charges upon Borrower or any Subsidiary or upon any of its Property, income or franchises,

which are shown to be due and payable in such returns, have been paid, except such taxes, assessments, fees and governmental charges, if any, as are being contested in good faith and by appropriate proceedings which prevent enforcement of the matter under contest and as to which adequate reserves established in accordance with GAAP have been provided. Borrower does not know of any proposed additional tax assessment against it or its Subsidiaries for which adequate provisions in accordance with GAAP have not been made on their accounts. Adequate provisions in accordance with GAAP for taxes on the books of Borrower and each Subsidiary have been made for all open years, and for its current fiscal period (subject to year end adjustments).

Section 5.13 Approvals. No authorization, consent, license or exemption from, or filing or registration with, any court or Governmental Authority, nor any approval or consent of any other Person, is or will be necessary to the valid execution, delivery or performance by Borrower or any Subsidiary of any Loan Document, except for such approvals which have been obtained prior to the date of this Agreement and remain in full force and effect.

Section 5.14 Affiliate Transactions. Neither Borrower nor any Subsidiary is a party to any contracts or agreements with any of its Affiliates (other than as set forth on Schedule 5.14 hereto) on terms and conditions which are less favorable to Borrower or such Subsidiary than would be usual and customary in similar contracts or agreements between Persons not affiliated with each other.

Section 5.15 Investment Company. Neither Borrower nor any Subsidiary is an “investment company” or a company “controlled” by an “investment company” within the meaning of the Investment Company Act of 1940, as amended.

Section 5.16 ERISA. Borrower and each other member of its Controlled Group has fulfilled its obligations under the minimum funding standards of and is in compliance in all material respects with ERISA and the Code to the extent applicable to it and has not incurred any liability to the PBGC or a Plan under Title IV of ERISA other than a liability to the PBGC for premiums under Section 4007 of ERISA. Neither Borrower nor any Subsidiary has any contingent liabilities with respect to any post-retirement benefits under a Welfare Plan, other than liability for continuation coverage described in article 6 of Title I of ERISA.

Section 5.17 Compliance with Laws.

(a) Borrower and its Subsidiaries are in compliance with the requirements of all federal, state and local laws, rules and regulations applicable to or pertaining to their Property or business operations (including the Occupational Safety and Health Act of 1970, the Americans with Disabilities Act of 1990, and laws and regulations establishing quality criteria and standards for air, water, land and toxic or hazardous wastes and substances), except for any such noncompliance that, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

(b) Without limiting the representations and warranties set forth in Section 5.17(a) above, except for such matters, individually or in the aggregate, which could not reasonably be expected to result in a Material Adverse Effect, Borrower represents and warrants that:

(i) Borrower and its Subsidiaries, and each of the Premises, comply in all material respects with all applicable Environmental Laws; (ii) Borrower and its Subsidiaries have obtained all governmental approvals required for their operations and each of the Premises by any applicable Environmental Law; (iii) Borrower and its Subsidiaries have not, and Borrower has no knowledge of any other Person who has, caused any Release, threatened Release or disposal of any Hazardous Material at, on, about, or off any of the Premises in any material quantity and, to the knowledge of Borrower, none of the Premises are adversely affected by any Release, threatened Release or disposal of a Hazardous Material originating or emanating from any other property; (iv) none of the Premises contain and have contained any: (1) underground storage tank, (2) material amounts of asbestos containing building material, (3) landfills or dumps, (4) hazardous waste management facility as defined pursuant to RCRA or any comparable state law, or (5) site on or nominated for the National Priority List promulgated pursuant to CERCLA or any state remedial priority list promulgated or published pursuant to any comparable state law; (v) Borrower and its Subsidiaries have not used a material quantity of any Hazardous Material and have conducted no Hazardous Material Activity at any of the Premises; (vi) Borrower and its Subsidiaries have no material liability for response or corrective action, natural resource damage or other harm pursuant to CERCLA, RCRA or any comparable state law; (vii) Borrower and its Subsidiaries are not subject to, have no notice or knowledge of and are not required to give any notice of any Environmental Claim involving Borrower or any Subsidiary or any of the Premises, and there are no conditions or occurrences at any of the Premises which could reasonably be anticipated to form the basis for an Environmental Claim against Borrower or any Subsidiary or such Premises; (viii) none of the Premises are subject to any, and Borrower has no knowledge of any imminent restriction on the ownership, occupancy, use or transferability of the Premises in connection with any (1) Environmental Law or (2) Release, threatened Release or disposal of a Hazardous Material; and (ix) there are no conditions or circumstances at any of the Premises which pose an unreasonable risk to the environment or the health or safety of Persons.

Section 5.18 OFAC. (a) Borrower is in compliance with the requirements of all OFAC Sanctions Programs applicable to it, (b) each Subsidiary of Borrower is in compliance with the requirements of all OFAC Sanctions Programs applicable to such Subsidiary, (c) Borrower has provided to Collateral Agent all information regarding Borrower and its Affiliates and Subsidiaries necessary for Collateral Agent and the Lenders to comply with all applicable OFAC Sanctions Programs, and (d) to the best of Borrower's knowledge, neither Borrower nor any of its Affiliates or Subsidiaries is, as of the date hereof, named on the current OFAC SDN List.

Section 5.19 Other Agreements. Neither Borrower nor any Subsidiary is in default under the terms of any covenant, indenture or agreement of or affecting such Person or any of its Property, except for any such default that could not reasonably be expected to have a Material Adverse Effect.

Section 5.20 Solvency. Borrower and its Subsidiaries, taken as a whole, are solvent, able to pay their debts as they become due, and have sufficient capital to carry on their business and all businesses in which they are about to engage.

Section 5.21 No Default. No Default or Event of Default has occurred and is continuing.

Section 5.22 No Broker Fees. No broker's or finder's fee or commission will be payable with respect hereto or any of the transactions contemplated hereby; and Borrower hereby agrees to indemnify Collateral Agent and the Lenders against, and agrees that it will hold Collateral Agent and the Lenders harmless from, any claim, demand, or liability for any such broker's or finder's fees alleged to have been incurred in connection herewith or therewith and any expenses (including reasonable attorneys' fees) arising in connection with any such claim, demand, or liability.

Section 5.23 Proprietary Rights.

(a) Borrower and each Subsidiary is the sole and exclusive owner of the Proprietary Rights (free and clear of any Liens other than Permitted Liens) used by it, and has sole and exclusive rights to use, sell or license, as applicable, all such Proprietary Rights (other than licenses granted to customers in the ordinary course of business and licenses and rights granted to certain resellers and distribution partners in the ordinary course of business). Schedule 5.23(a) (as updated concurrent with the delivery of the quarterly financial statements pursuant to Section 6.5(d)) contains a complete and correct list of all of Borrower's and each Subsidiary's issued patents and patent applications; trademark registrations and applications for registrations thereof and service mark registrations and applications for registration thereof; domain names; and copyright registrations and applications for registration thereof; and a general description of service as software platforms owned by Borrower and each Subsidiary.

(b) Schedule 5.23(b) (as updated concurrent with the delivery of the quarterly financial statements pursuant to Section 6.5(d)) sets forth a complete list of all Embedded Products, which are specific to the development in Borrower or any Subsidiary's platform and/or software-based service offerings, excluding any Open Source Software (as defined below) and including but not limited to third party proprietary software, that are used by Borrower or any Subsidiary and reasonably necessary for the operation of their respective businesses after reasonable investigation by Borrower or such Subsidiary (collectively "*Third Party IP*"), and all licenses, sublicenses and other agreements related to the use of such Third Party IP pursuant to which Borrower or any Subsidiary is a licensee (collectively "*TPI Agreements*"). Neither Borrower nor any Subsidiary is in violation of any such TPI Agreements, except for violations that could not reasonably be expected to result in a Material Adverse Effect.

(c) Schedule 5.23(c)(1) (as updated concurrent with the delivery of the quarterly financial statements pursuant to Section 6.5(d)) sets forth a complete list of all open source software used by Borrower or any Subsidiary and used in the development of Borrower's or such Subsidiary's platform and/or software-based service offerings for the operation of their respective businesses (collectively, "*Open Source Software*") and the corresponding URLs identifying the location of any license agreements, if any, related to the use of such Open Source Software (collectively, "*OSS Agreements*"). Neither Borrower nor any Subsidiary is in violation of any OSS Agreement that could reasonably be expected to result in a Material Adverse Effect. Neither Borrower nor any Subsidiary is contractually obligated to license and/or disclose the source code for any non-Open Source Software aspects of Borrower's or such Subsidiary's software products or services to third parties as a result of Borrower's or such Subsidiary's use of such Open Source Software. Neither Borrower nor any Subsidiary is otherwise contractually obligated to pay in excess of \$100,000, in the aggregate, compensation to any third party with

respect to any Proprietary Rights (collectively, “*Specified Contractual Obligations*”). Schedule 5.23(c)(2) (as updated concurrent with the delivery of the quarterly financial statements pursuant to Section 6.5(d)) sets forth a complete list of Borrower and any Subsidiary’s Specified Contractual Obligations in excess of \$20,000.

(d) (i) Neither Borrower or any Subsidiary has infringed on any intellectual property rights of any third party and (ii) none of the Proprietary Rights infringes on any intellectual property rights of any third party.

(e) Except for those claims which could reasonably be expected to result in a Material Adverse Effect as disclosed on Schedule 5.23(e), no claims with respect to the Proprietary Rights are pending or, to the knowledge of Borrower or any Subsidiary, threatened against Borrower or any Subsidiary (i) alleging that the manufacture, sale, licensing or use of any Proprietary Rights as now manufactured, sold, licensed or used by Borrower or any Subsidiary infringes on any intellectual property rights of any third party, or (ii) challenging the ownership by Borrower or any Subsidiary, or the validity, of any such Proprietary Rights.

(f) Except as disclosed on Schedule 5.23(f), neither Borrower or any Subsidiary is restricted (i) from selling, licensing or otherwise distributing any of their products or services to any class or type of customers or through any type of channel in any geographic area or during any period of time, or (ii) from combining, incorporating, embedding or bundling or allowing others to combine, incorporate, embed or bundle any of its products with those of another party. Borrower has delivered, and has caused each Subsidiary to deliver, to Collateral Agent correct and complete copies of all such agreements (as amended to date).

(g) Borrower and each Subsidiary has taken all security measures necessary in its reasonable discretion to safeguard and maintain its property rights in all Proprietary Rights owned by Borrower or such Subsidiary and used by it. All officers, employees and consultants of Borrower and each Subsidiary who have access to proprietary information for the purpose of developing or overseeing the development of new Proprietary Rights (“*Services*”) have executed and delivered to Borrower or such Subsidiary, as applicable, an agreement regarding the protection of proprietary information, and the assignment to or ownership by Borrower or such Subsidiary of all Proprietary Rights arising from the Services performed for Borrower or such Subsidiary by such Persons. No current or prior officer, employee or consultant of Borrower or any Subsidiary claims, and neither Borrower nor any Subsidiary is aware of any grounds to assert a claim to, or any ownership interest in, any Proprietary Right as a result of having been involved in the development of such property while employed by or consulting to Borrower, any Subsidiary or otherwise. Except as disclosed on Schedule 5.23(g), all of the computer software products within the Proprietary Rights owned by Borrower or any Subsidiary have been developed by employees of Borrower or such Subsidiary within the scope of their employment, as a “work made for hire”, or by consultants who have assigned all rights to such products to Borrower or such Subsidiary or have otherwise been assigned by such employees or consultants to Borrower or such Subsidiary.

(h) Except as described in Schedule 5.23(h) and except for any payments received from customers for products and services provided in the ordinary course of business no

government funding or university or college resources or facilities were used in the development of the Proprietary Rights.

(i) Notwithstanding anything in this Agreement to the contrary, neither Borrower nor any Subsidiary shall be in breach of this Section 5.23 for any unintentional omission from Schedule 5.23(a), (b), (c)(1) or (f) or the delivery requirement in Section 5.23(f), provided that any such omission is disclosed within thirty (30) days of Borrower's or any Subsidiary's discovery of such omission.

Section 5.24 Private Offering. No form of general solicitation or general advertising was used by the Loan Parties or their respective representatives in connection with the offer or sale of the Purchased Securities to Lender and Collateral Agent pursuant to this Agreement. No registration of the Purchased Securities pursuant to the provisions of the Securities Act or the state securities or "blue sky" laws will be required for the offer, sale or issuance of the Purchased Securities to Lender and Collateral Agent pursuant to this Agreement.

Section 5.25 Labor Relations. No Loan Party has committed or is engaged in any unfair labor practice (as defined in the National Labor Relations Act of 1947 and the regulations thereunder, in each case, as amended). There is (a) no material unfair labor practice complaint pending or threatened against the Loan Parties before the National Labor Relations Board and no material grievance or arbitration proceeding arising out of or under collective bargaining agreements is so pending or, to the Knowledge of the Loan Parties, threatened, (b) no strike, labor dispute, slowdown or stoppage pending or, to the Knowledge of the Loan Parties, threatened against the Loan Parties, and (c) no union representation question existing with respect to the employees of the Loan Parties, and, no union organizing activities are taking place. Except as set forth on Schedule 5.25, there is no employment contract with any employee of the Loan Parties and the employment of all employees of the Loan Parties are terminable at will without penalty or severance obligation of any kind. Each Loan Party is in compliance in all material respects with all federal, state or other applicable laws respecting employment and employment practices, terms and conditions of employment and wages and hours. No Loan Party is a party to any collective bargaining agreement.

Section 5.26 Potential Conflicts of Interests. Except as set forth on Schedule 5.26, no officer, director or manager (or equivalent Person) or member, stockholder or other security holder of any Loan Party: (a) is an officer, director, manager, employee or consultant of, any Person that is, or is engaged in business as, a competitor, lessor, lessee, supplier, distributor, sales agent or customer of, or lender to or borrower from, the Loan Parties; (b) owns, directly or indirectly, in whole or in part, any tangible or intangible property that the Loan Parties use or contemplate using in the conduct of business; or (c) has any cause of action or other claim whatsoever against, or owes or has advanced any amount to any Loan Party, except for advances in the ordinary course of business such as for accrued vacation pay, accrued benefits under employee benefit plans, and reasonable and customary expense reimbursements existing on the date hereof.

Section 5.27 SEC Reports. Except as disclosed to Collateral Agent with respect to any filings required prior to the Closing Date which would not reasonably be expected to result in a Material Adverse Effect, Borrower has filed all reports, schedules, forms, statements and other

documents required to be filed by Borrower under the Securities Act and the Exchange Act, including pursuant to Section 13(a) or 15(d) thereof, for the two years preceding the date hereof (or such shorter period as Borrower was required by law or regulation to file such material) (the foregoing materials, including the exhibits thereto and documents incorporated by reference therein, being collectively referred to herein as the “SEC Reports”) on a timely basis or has received a valid extension of such time of filing and has filed any such SEC Reports prior to the expiration of any such extension. Borrower has never been an issuer subject to Rule 144(i) under the Securities Act. The financial statements of Borrower included in the SEC Reports comply in all material respects with applicable accounting requirements and the rules and regulations of the Commission with respect thereto as in effect at the time of filing.

Section 5.28 Listing and Maintenance Requirements. The common stock of Borrower is registered pursuant to Section 12(b) or 12(g) of the Exchange Act, and the Borrower has taken no action designed to, or which to its knowledge is likely to have the effect of, terminating the registration of the common stock of Borrower under the Exchange Act nor has the Borrower received any notification that the Commission is contemplating terminating such registration. Borrower has not, in the 12 months preceding the date hereof, received notice from any Trading Market on which the common stock of Borrower is or has been listed or quoted to the effect that Borrower is not in compliance with the listing or maintenance requirements of such Trading Market. Borrower is, and has no reason to believe that it will not in the foreseeable future continue to be, in compliance with all such listing and maintenance requirements. The common stock of Borrower is currently eligible for electronic transfer through the Depository Trust Company or another established clearing corporation and the Borrower is current in payment of the fees to the Depository Trust Company (or such other established clearing corporation) in connection with such electronic transfer.

Section 5.29 Related Agreements.

- (a) Borrower has heretofore furnished Collateral Agent a true and correct copy of the Related Agreements.
- (b) Borrower and each of its Subsidiaries and, to Borrower’s knowledge, each other party to the Related Agreements, has duly taken all necessary corporate, partnership or other organizational action to authorize the execution, delivery and performance of the Related Agreements and the consummation of transactions contemplated thereby.
- (c) The Related Transactions will comply in all material respects with all applicable legal requirements, and all necessary governmental, regulatory, creditor, shareholder, partner and other material consents, approvals and exemptions required to be obtained by Borrower and each of its Subsidiaries and, to Borrower’s knowledge, each other party to the Related Agreements in connection with the Related Transactions will be, prior to consummation of the Related Transactions, duly obtained and will be in full force and effect. As of the date of the Related Agreements, all applicable waiting periods with respect to the Related Transactions will have expired without any action being taken by any competent governmental authority which restrains, prevents or imposes material adverse conditions upon the consummation of the Related Transactions.

(d) The execution and delivery of the Related Agreements did not, and the consummation of the Related Transactions will not, violate any statute or regulation of the United States (including any securities law) or of any state or other applicable jurisdiction, or any order, judgment or decree of any court or governmental body binding on Borrower and/or any of its Subsidiaries or, to Borrower's knowledge, any other party to the Related Agreements, or result in a breach of, or constitute a default under, any material agreement, indenture, material instrument or other material document, or any judgment, order or decree, to which Borrower and/or any of its Subsidiaries is a party or by which Borrower and/or any of its Subsidiaries is bound or, to Borrower's knowledge, to which any other party to the Related Agreements is a party or by which any such party is bound.

(e) No statement or representation made in the Related Agreements by Borrower and/or any of its Subsidiaries or, to Borrower's knowledge, any other Person, contains any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they are made, not misleading.

Section 5.30 Collective Enterprise. Borrower and its Subsidiaries are engaged in the businesses of providing cloud based Platform-as-a-Service (PaaS) and Software-as-a-Service (SaaS) products to the health insurance, media and education verticals as of the date hereof, as well as in certain other related businesses. These operations require financing on a basis such that the credit supplied can be made available from time to time to Borrower, as required for the continued successful operation of Borrower and its Subsidiaries taken as a whole. Borrower and its Subsidiaries have requested the Lenders to make credit available hereunder to Borrower primarily for the purposes of Section 6.11 and generally for the purposes of financing the operations of Borrower and its Subsidiaries. Each of Borrower and each of its Subsidiaries expects to derive benefit (and the Board of Directors of each of Borrower and each of its Subsidiaries has determined that Borrower and such Subsidiary may reasonably be expected to derive benefit), directly or indirectly, from a portion of the credit extended by the Lenders hereunder, both in its separate capacity and as a member of the group of companies, since the successful operation and condition of Borrower and each of its Subsidiaries (collectively, the "*Obligors*") is dependent on the continued successful performance of the functions of the group as a whole. Borrower acknowledges, on behalf of itself and each of its Subsidiaries, that, but for the agreement of each of the other Obligors to execute and deliver this Agreement and the other Loan Documents, the Lenders would not have made available the Term Loan established hereby on the terms set forth herein.

Section 5.31 Amended SEC Reports. All filings made by Borrower and its Subsidiaries, as amended (if applicable), comply in all material respects with the requirements of the Exchange Act.

SECTION 6. AFFIRMATIVE COVENANTS.

So long as any Obligations hereunder remain outstanding (other than contingent indemnification obligations for which no claim for payment has yet been asserted), Borrower agrees that:

Section 6.1 Maintenance of Business. Borrower shall, and shall cause each Subsidiary to, preserve and maintain its existence. Borrower shall, and shall cause each Subsidiary to, preserve and keep in force and effect all licenses, permits, franchises, approvals, patents, trademarks, trade names, trade styles, copyrights, and other proprietary rights necessary to the proper conduct of its business, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

Section 6.2 Maintenance of Properties. Borrower shall, and shall cause each Subsidiary to, maintain, preserve, and keep its property, plant, and equipment in good repair, working order and condition (ordinary wear and tear excepted), and shall from time to time make all needful and proper repairs, renewals, replacements, additions, and betterments thereto so that at all times the efficiency thereof shall be fully preserved and maintained, in each case except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

Section 6.3 Taxes and Assessments. Borrower shall duly pay and discharge, and shall cause each Subsidiary to duly pay and discharge, all taxes, rates, assessments, fees, and governmental charges upon or against it or its Property, in each case before the same become delinquent and before penalties accrue thereon, unless and to the extent that the same are being contested in good faith and by appropriate proceedings which prevent enforcement of the matter under contest and adequate reserves are provided therefor.

Section 6.4 Insurance. Borrower shall insure and keep insured, and shall cause each Subsidiary to insure and keep insured, with reputable insurance companies, all insurable Property owned by it which is of a character usually insured by Persons similarly situated and operating like Properties against loss or damage from such hazards and risks (including flood insurance with respect to any improvements on real Property consisting of building or parking facilities in an area designated by a governmental body as having special flood hazards), and in such amounts, as are insured by Persons similarly situated and operating like Properties, but in no event at any time in an amount less than the replacement value of the Collateral. Borrower shall also maintain, and shall cause each Subsidiary to maintain, insurance with respect to the business of Borrower and its Subsidiaries, covering commercial general liability, statutory worker's compensation and occupational disease, statutory structural work act liability, and business interruption and such other risks with reputable insurance companies, in such amounts and on such terms as Collateral Agent shall reasonably request, but in any event as and to the extent usually insured by Persons similarly situated and conducting similar businesses. Borrower shall in any event maintain insurance on the Collateral to the extent required by the Collateral Documents. All such policies of insurance shall contain satisfactory lender's loss payable endorsements, naming Collateral Agent as a lender's loss payable, assignee or additional insured, as appropriate, as its interest may appear, and showing only such other loss payees, assignees and additional insureds as are satisfactory to Collateral Agent. Each policy of insurance or endorsement shall contain a clause requiring the insurer to give not less than 30 days' prior written notice to Collateral Agent in the event of cancellation of the policy for any reason whatsoever and a clause specifying that the interest of Collateral Agent shall not be impaired or invalidated by any act or neglect of Borrower, any of its Subsidiaries, or the owner of the premises or Property or by the occupation of the premises for purposes more hazardous than are permitted by said policy. Borrower shall deliver to Collateral Agent (a) on the date of this Agreement, and at such other times as Collateral Agent shall reasonably request, certificates

evidencing the maintenance of insurance required hereunder, (b) prior to the termination of any such policies, certificates evidencing the renewal thereof, and (c) promptly following request by Collateral Agent, copies of all insurance policies of Borrower and its Subsidiaries. Borrower also agrees to deliver to Collateral Agent, promptly as rendered, true copies of all reports made in any reporting forms to insurance companies.

Section 6.5 Financial Reports. Borrower shall, and shall cause each Subsidiary to, maintain a standard system of accounting in accordance with GAAP and shall furnish to Collateral Agent and its duly authorized representatives such information respecting the business and financial condition of Borrower and each Subsidiary as Collateral Agent may reasonably request; and without any request, shall furnish to Collateral Agent:

(a) if requested by Collateral Agent, as soon as available, and in any event no later than three (3) days after the last day of each calendar week of Borrower (other than the calendar week ending on the last day of the fiscal year of Borrower), a copy of a report of the revenue of Borrower and its Subsidiaries attributable to the GPA Learn software platform for such calendar week and the fiscal year-to-date period then ended, each in reasonable detail showing in comparative form the figures for the corresponding date and period in the previous fiscal year, prepared by Borrower in accordance with GAAP and certified to by its chief financial officer or such other officer acceptable to Collateral Agent;

(b) as soon as available, and in any event no later than fifteen (15) days after the last day of each calendar month, a Borrowing Base Certificate delivered to Senior Lender showing the computation of the Borrowing Base (as defined in the Senior Debt Agreement) in reasonable detail as of the close of business on the last day of such month, together with an accounts receivable and accounts payable aging, prepared by Borrower and certified to by its chief financial officer or another officer of Borrower acceptable to Collateral Agent;

(c) as soon as available, and in any event no later than thirty (30) days after the last day of each calendar month of Borrower (other than the calendar month ending on the last day of the fiscal year of Borrower), a copy of a report of the revenue of Borrower and its Subsidiaries attributable to the GPA Learn software platform for such calendar month and the fiscal year-to-date period then ended, each in reasonable detail showing in comparative form the figures for the corresponding date and period in the previous fiscal year, prepared by Borrower in accordance with GAAP and certified to by its chief financial officer or such other officer acceptable to Collateral Agent;

(d) as soon as available, and in any event no later than the earlier of (i) the date Borrower files such documents with the SEC (if Borrower is then a Reporting Company) or (ii) forty-five (45) days after the last day of each fiscal quarter of Borrower, including the fiscal quarter ending on the last day of the fiscal year of Borrower, (i) a copy of the consolidated and consolidating balance sheet of Borrower and its Subsidiaries as of the last day of such period and the consolidated and consolidating statements of income, retained earnings, and cash flows of Borrower and its Subsidiaries for such fiscal quarter and the fiscal year-to-date period then ended, each in reasonable detail showing in comparative form the figures for the corresponding date and period in the previous fiscal year, prepared by Borrower in accordance with GAAP, reviewed pursuant to Statement on Auditing Standards No. 116 (or any successor statement) and

certified to by Borrower's chief financial officer or such other officer acceptable to Collateral Agent, together with a "Management's Discussion and Analysis of Financial Condition and Results of Operations" covering the periods referred to above and, if Borrower is then a Reporting Company, the disclosures required by Item 307 and 308 of Regulation S-K under the Exchange Act (all of the foregoing financial information to be prepared on a basis consistent with applicable SEC requirements if Borrower then has a class of securities registered under the Exchange Act) and (ii) a company prepared income statement showing the performance in respect of the assets acquired pursuant to the Asset Purchase;

(e) as soon as available, and in any event no later than the earlier of (i) the date Borrower files such documents with the SEC for each Fiscal Year (if Borrower is then a Reporting Company) or (ii) than ninety (90) days after the last day of each fiscal year of Borrower, (1) a copy of the consolidated balance sheet of Borrower and its Subsidiaries as of the close of such period and the consolidated statements of income, retained earnings, and cash flows of Borrower and its Subsidiaries for such period, and accompanying notes thereto, each in reasonable detail showing in comparative form the figures for the previous fiscal year, accompanied by an unqualified opinion thereon of LJ Solding Associates, LLC or another firm of independent public accountants of recognized national standing, selected by Borrower and satisfactory to Collateral Agent, to the effect that the financial statements have been prepared in accordance with GAAP and present fairly in accordance with GAAP the consolidated financial condition of Borrower and its Subsidiaries as of the close of such fiscal year and the results of their operations and cash flows for the fiscal year then ended and that an examination of such accounts in connection with such financial statements has been made in accordance with generally accepted auditing standards and, accordingly, such examination included such tests of the accounting records and such other auditing procedures as were considered necessary in the circumstances, together with a "Management's Discussion and Analysis of Financial Condition and Results of Operations" covering the periods referred to above and, if Borrower is then a Reporting Company, the disclosures required by Item 307 and 308 of Regulation S-K under the Exchange Act (all of the foregoing financial information to be prepared on a basis consistent with applicable SEC requirements if Borrower then has a class of securities registered under the Exchange Act), and (2) a copy of the company prepared consolidating balance sheet of Borrower and its Subsidiaries as of the close of such period and the consolidating statements of income, retained earnings, and cash flows of Borrower and its Subsidiaries for such period, and accompanying notes thereto, each in reasonable detail showing in comparative form the figures for the previous fiscal year;

(f) with each of the financial statements delivered pursuant to subsections (d) and (e) above, (i) if Borrower is then a Reporting Company, certifications of each of Borrower's chief executive officer and chief financial officer in the form required by 601(b)(31) of Regulation S-K under the Exchange Act and (ii) a written certificate in the form attached hereto as Exhibit C signed by the chief financial officer of Borrower or another officer of Borrower acceptable to Collateral Agent to the effect that to the best of such officer's knowledge and belief no Default or Event of Default has occurred during the period covered by such statements or, if any such Default or Event of Default has occurred during such period, setting forth a description of such Default or Event of Default and specifying the action, if any, taken by Borrower or any Subsidiary to remedy the same. Such certificate shall also set forth the calculations supporting such statements in respect of Section 7.12 (Financial Covenants);

(g) with each of the financial statements delivered pursuant to subsection (e) above, the written statement of the accountants who certified the audit report thereby required that in the course of their audit they have obtained no knowledge of any Default or Event of Default, or, if such accountants have obtained knowledge of any such Default or Event of Default, they shall disclose in such statement the nature and period of the existence thereof;

(h) as soon as available, and in any event no later than ninety (90) days after the end of each fiscal year of Borrower, a copy of Borrower's consolidated and consolidating business plan for the following fiscal year, such business plan to show Borrower's projected consolidated and consolidating revenues, expenses and balance sheet on a quarter by quarter/month by month basis, such business plan to be in reasonable detail prepared by Borrower and in form satisfactory to Collateral Agent (which shall include a summary of all assumptions made in preparing such business plan);

(i) promptly after receipt thereof, any additional written reports, management letters or other detailed information contained in writing concerning significant aspects of Borrower's or any Subsidiary's operations and financial affairs given to it by its independent public accountants;

(j) promptly after the sending or filing thereof, copies of each financial statement, report, notice or proxy statement sent by Borrower or any Subsidiary to its stockholders or other equity holders, and copies of each regular, periodic or special report, registration statement or prospectus (including all Form 10-K, Form 10-Q and Form 8-K reports) filed by Borrower or any Subsidiary with any securities exchange or the SEC or any successor agency;

(k) promptly after receipt thereof, a copy of each audit made by any regulatory agency of the books and records of Borrower or any Subsidiary or of notice of any material noncompliance with any applicable law, regulation or guideline relating to Borrower or any Subsidiary, or its business;

(l) promptly after knowledge thereof shall have come to the attention of any responsible officer of Borrower or any Subsidiary, written notice of (i) any threat, notice, development or action of any kind received from, or taken by, Sandton in respect of any claimed Lien of any kind on or with respect to the assets or other Property of Borrower or any Subsidiary, (ii) any investigation by any Governmental Authority or any material development with respect thereto, (iii) any threatened or pending litigation or governmental or arbitration proceeding or labor controversy against Borrower or any Subsidiary or any of their Property or any other event which, if adversely determined, could reasonably be expected to have a Material Adverse Effect or (iv) (x) the occurrence of any Default or Event of Default hereunder and what action Borrower is taking (and proposed to take) with respect thereto and (y) any development or other information outside the ordinary course of business of the Borrower and its Subsidiaries which could reasonably be expected to have a Material Adverse Effect;

(m) promptly upon receipt by Borrower or any Subsidiary, written notice of any default notice given to any such Person in writing by any creditor to which any Loan Party has material debt or other obligations; and

(n) such other information (including non-financial information) as Collateral Agent or any Lender may from time to time reasonably request.

Section 6.6 Inspection. Borrower shall, and shall cause each Subsidiary to, permit Collateral Agent and its duly authorized representatives and agents to visit and inspect any of its Property, corporate books, and financial records, to examine and make copies of its books of accounts and other financial records, and to discuss its affairs, finances, and accounts with, and to be advised as to the same by, its officers, employees and independent public accountants (and by this provision Borrower hereby authorizes such accountants to discuss with Collateral Agent the finances and affairs of Borrower and its Subsidiaries) at such reasonable times and intervals as Collateral Agent may designate and, so long as no Default or Event of Default has occurred and is continuing, with reasonable prior notice to Borrower and during normal business hours.

Section 6.7 ERISA. Borrower shall, and shall cause each Subsidiary to, promptly pay and discharge all obligations and liabilities arising under ERISA of a character which if unpaid or unperformed could reasonably be expected to result in the imposition of a Lien against any of its Property. Borrower shall, and shall cause each Subsidiary to, promptly notify Collateral Agent of: (a) the occurrence of any reportable event (as defined in ERISA) with respect to a Plan, (b) receipt of any notice from the PBGC of its intention to seek termination of any Plan or appointment of a trustee therefor, (c) its intention to terminate or withdraw from any Plan, and (d) the occurrence of any event with respect to any Plan which would result in the incurrence by Borrower or any Subsidiary of any material liability, fine or penalty, or any material increase in the contingent liability of Borrower or any Subsidiary with respect to any post retirement Welfare Plan benefit.

Section 6.8 Compliance with Laws.

(a) Borrower shall, and shall cause each Subsidiary to, comply in all respects with the requirements of all federal, state, and local laws, rules, regulations, ordinances and orders applicable to or pertaining to its Property or business operations, except where any such non-compliance, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect or result in a Lien upon any of its Property.

(b) Without limiting the agreements set forth in Section 6.8(a) above, Borrower shall, and shall cause each Subsidiary to, at all times, do the following to the extent the failure to do so, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect: (i) comply in all material respects with, and maintain each of the Premises in compliance in all material respects with, all applicable Environmental Laws; (ii) require that each tenant and subtenant, if any, of any of the Premises or any part thereof comply in all material respects with all applicable Environmental Laws; (iii) obtain and maintain in full force and effect all material governmental approvals required by any applicable Environmental Law for operations at each of the Premises; (iv) cure any material violation by it or at any of the Premises of applicable Environmental Laws; (v) not allow the presence or operation at any of the Premises of any (1) landfill or dump or (2) hazardous waste management facility or solid waste disposal facility as defined pursuant to RCRA or any comparable state law; or (vi) not manufacture, use, generate, transport, treat, store, release, dispose or handle any Hazardous Material at any of the Premises except in the ordinary course of its business and in *de minimis* amounts.

(c) Borrower shall, and shall cause each Subsidiary to, (i) within ten (10) Business Days notify Collateral Agent in writing of and provide any reasonably requested documents upon learning of any of the following in connection with Borrower or any Subsidiary or any of the Premises: (1) any material liability for response or corrective action, natural resource damage or other harm pursuant to CERCLA, RCRA or any comparable state law; (2) any material Environmental Claim; (3) any material violation of an Environmental Law or material Release, threatened Release or disposal of a Hazardous Material; (4) any restriction on the ownership, occupancy, use or transferability arising pursuant to any (x) Release, threatened Release or disposal of a Hazardous Material or (y) Environmental Law; or (5) any environmental, natural resource, health or safety condition, which could reasonably be expected to have a Material Adverse Effect; (ii) conduct at its expense any investigation, study, sampling, testing, abatement, cleanup, removal, remediation or other response action necessary to remove, remediate, clean up or abate any material Release, threatened Release or disposal of a Hazardous Material as required by any applicable Environmental Law; (iii) abide by and observe any restrictions on the use of the Premises imposed by any Governmental Authority as set forth in a deed or other instrument affecting Borrower's or any Subsidiary's interest therein; (iv) promptly provide or otherwise make available to Collateral Agent any reasonably requested environmental record concerning the Premises which Borrower or any Subsidiary possesses or can reasonably obtain; and (v) perform, satisfy, and implement any operation or maintenance actions required by any Governmental Authority or Environmental Law, or included in any no further action letter or covenant not to sue issued by any Governmental Authority under any Environmental Law.

Section 6.9 Compliance with OFAC Sanctions Programs.

(a) Borrower shall at all times comply with the requirements of all OFAC Sanctions Programs applicable to Borrower and shall cause each of its Subsidiaries to comply with the requirements of all OFAC Sanctions Programs applicable to such Subsidiary.

(b) Borrower shall provide Collateral Agent any information regarding Borrower, its Affiliates, and its Subsidiaries necessary for Collateral Agent to comply with all applicable OFAC Sanctions Programs; subject however, in the case of Affiliates, to Borrower's ability to provide information applicable to them.

(c) If Borrower obtains actual knowledge or receives any written notice that Borrower, any Affiliate or any Subsidiary is named on the then current OFAC SDN List (such occurrence, an "OFAC Event"), Borrower shall promptly (i) give written notice to Collateral Agent of such OFAC Event, and (ii) comply with all applicable laws with respect to such OFAC Event (regardless of whether the party included on the OFAC SDN List is located within the jurisdiction of the United States of America), including the OFAC Sanctions Programs, and Borrower hereby authorizes and consents to Collateral Agent taking any and all steps Collateral Agent deems necessary, in its sole discretion, to avoid violation of all applicable laws with respect to any such OFAC Event, including the requirements of the OFAC Sanctions Programs (including the freezing and/or blocking of assets and reporting such action to OFAC).

Section 6.10 Formation of Subsidiaries. Promptly upon the formation or acquisition of any Subsidiary, Borrower shall provide Collateral Agent notice thereof and timely comply with the requirements of Section 6.12 (at which time Schedule 5.2 shall be deemed amended to

include reference to such Subsidiary). Borrower shall not, nor shall it permit any Subsidiary to, form or acquire any Foreign Subsidiary.

Section 6.11 Use of Proceeds; Margin Stock. Borrower shall use the credit extended under this Agreement solely for the purposes set forth in, or otherwise permitted by, Section 5.4. Neither Borrower nor any Subsidiary will engage, principally or as one of its important activities, in the business of purchasing or carrying margin stock or in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System), and no part of the proceeds of the Term Loan or any other extension of credit made hereunder will be used to purchase or carry any such margin stock or to extend credit to others for the purpose of purchasing or carrying any such margin stock.

Section 6.12 Guaranties and Collateral. (a) *Guaranties.* The payment and performance of the Obligations shall at all times be guaranteed by each direct and indirect Subsidiary of Borrower pursuant to one or more guaranty agreements in form and substance acceptable to Collateral Agent (as the same may be amended, restated, supplemented, or otherwise modified from time to time individually a “*Guaranty*” and collectively the “*Guaranties*” and each such Subsidiary executing and delivering a Guaranty being referred to herein as a “*Guarantor*” and collectively the “*Guarantors*”).

(b) *Collateral.* The Obligations shall be secured by valid, perfected, and enforceable Liens on all right, title, and interest of Borrower and each Subsidiary in all of their accounts, chattel paper, instruments, documents, general intangibles, letter of credit rights, supporting obligations, deposit accounts, investment property, inventory and farm products, equipment, fixtures, commercial tort claims, real estate and certain other Property, whether now owned or hereafter acquired or arising, and all proceeds thereof; *provided, however,* that unless requested by Collateral Agent following the occurrence and continuance of an Event of Default, (i) Liens on vehicles which are subject to a certificate of title law need not be perfected provided that the total value of such property at any one time not so perfected shall not exceed \$150,000 in the aggregate and (ii) Liens on deposit accounts for petty cash supporting local operations so long as the amounts on deposit in such deposit accounts do not exceed (x) \$10,000 for any one (1) such deposit account and (y) \$25,000 for all such deposit accounts in the aggregate. Borrower acknowledges and agrees that the Liens on the Collateral shall be valid and perfected Liens subject, however, to the proviso appearing at the end of the preceding sentence, in each case pursuant to one or more Collateral Documents from such Persons, each in form and substance satisfactory to Collateral Agent.

(c) *Liens on Real Property.* In the event that Borrower or any Subsidiary owns or hereafter acquires any real property, Borrower shall, or shall cause such Subsidiary to, execute and deliver to Collateral Agent a mortgage or deed of trust acceptable in form and substance to Collateral Agent for the purpose of granting to Collateral Agent (or a security trustee therefor) a Lien on such real property to secure the Obligations, shall pay all taxes, costs, and expenses incurred by Collateral Agent in recording such mortgage or deed of trust, and shall supply to Collateral Agent at Borrower’s cost and expense a survey, environmental report, hazard insurance policy, appraisal report, and a mortgagee’s policy of title insurance from a title insurer acceptable to Collateral Agent insuring the validity of such mortgage or deed of trust and its

status as a first Lien (subject to Liens expressly permitted by this Agreement) on the real property encumbered thereby and such other instrument, documents, certificates, and opinions reasonably required by Collateral Agent in connection therewith; *provided*, however, that Borrower and its Subsidiaries shall not be required to grant a Lien to Collateral Agent on real properties owned by Borrower and its Subsidiaries having a value of less than \$100,000 in the aggregate for all such real properties owned by Borrower and its Subsidiaries.

(d) *Further Assurances.* Borrower agrees that it shall, and shall cause each Subsidiary to, from time to time at the request of Collateral Agent, execute and deliver such documents and do such acts and things as Collateral Agent may reasonably request in order to provide for or perfect or protect Collateral Agent's Liens on the Collateral.

Section 6.13 Accounts. Each deposit account or securities account of Borrower or any Subsidiary shall at all times be maintained with an institution that has entered into a control agreement with Collateral Agent and the applicable Borrower or Subsidiary granting "control" (as defined in the UCC) of such accounts to Collateral Agent upon payment in full of the Senior Debt and otherwise in form and substance satisfactory to Collateral Agent, and in a structure acceptable to Collateral Agent. Notwithstanding the foregoing, a control agreement shall not be required for deposit accounts for petty cash supporting local operations so long as the amounts on deposit in such deposit accounts do not at any time exceed \$10,000 in the aggregate for all such accounts.

Section 6.14 Reserved.

Section 6.15 Maintenance of Proprietary Rights. Borrower shall, and shall cause each Subsidiary to:

(a) Continue to own, or be licensed, or otherwise possess legally enforceable rights, to use, sell or license, as applicable, all Proprietary Rights used by it (in each case, free and clear of any Liens other than Permitted Liens) (other than licenses granted to customers in the ordinary course of business and licenses and rights granted to certain resellers and distribution partners in the ordinary course of business), without any obligation to pay fees, royalties or other amounts in excess of \$100,000, in the aggregate, with respect thereto (except in connection with the sale by any Borrower of its products in the ordinary course of its business).

(b) Not violate any TPI Agreements or any OSS Agreements in any respect that could reasonably be expected to result in a Material Adverse Effect, and each such TPI Agreement and OSS Agreement will continue to be legal, valid, binding, enforceable and in full force and effect following the Closing Date (except for such licenses, sublicenses or agreements that are replaced or do not affect the value of Borrower's or any Subsidiary's Proprietary Rights and subject to bankruptcy, insolvency and similar laws affecting the enforceability of creditors' rights generally).

(c) Continue to be the sole and exclusive owner of the Proprietary Rights used by it (free and clear of any Liens except Permitted Liens) and continue to have the sole and exclusive rights to the use, license, sell and distribute all material covered thereby in connection with the services or products in respect of which such Proprietary Rights are currently being used, sold,

licensed or distributed (other than licenses granted to customers in the ordinary course of business and licenses and rights granted to certain resellers and distribution partners in the ordinary course of business). Neither Borrower nor any Subsidiary shall become contractually obligated to license and/or disclose the source code for any non-Open Source Software aspects of Borrower's or such Subsidiary's software products or services to third parties as a result of Borrower's or such Subsidiary's use of such Open Source Software.

(d) Except as could not reasonably be expected to result in a Material Adverse Effect, not infringe any intellectual property rights of any third party.

(e) Except for those claims which could not reasonably be expected to result in a Material Adverse Effect, promptly notify Collateral Agent of any claims with respect to the Proprietary Rights made or, to the knowledge of Borrower or any Subsidiary, threatened against Borrower or any Subsidiary, (i) alleging that the manufacture, sale, licensing or use of any Proprietary Rights as then manufactured, sold, licensed or used by Borrower or any Subsidiary infringes on any intellectual property rights of any third party or (ii) challenging the ownership by Borrower or any Subsidiary, or the validity, of any such Proprietary Rights.

(f) Except as disclosed on Schedule 5.23(f), not enter into or be bound by any agreement under which Borrower or any Subsidiary is restricted, (i) from selling, licensing or otherwise distributing any of its products or services to any class or type of customers or through any type of channel in any geographic area or during any period of time, or (ii) from combining, incorporating, embedding or bundling or allowing others to combine, incorporate, embed or bundle any of its products with those of another party.

(g) Take all security measures necessary in Borrower's reasonable discretion to safeguard and maintain its property rights in all Proprietary Rights owned by Borrower or such Subsidiary and used by it. Borrower shall, and shall cause each Subsidiary to, cause all officers, employees and consultants of Borrower or any Subsidiary who have access to proprietary information for the purpose of developing or overseeing the development of new Proprietary Rights for the purpose of Services to execute and deliver to Borrower or such Subsidiary an agreement regarding the protection of proprietary information, and assignment to or ownership by Borrower or such Subsidiary of all Proprietary Rights arising from the Services performed for Borrower or such Subsidiary by such Persons. Borrower shall promptly notify Collateral Agent if Borrower or any Subsidiary becomes aware of any officer, employee or consultant of Borrower or any Subsidiary having grounds to assert a claim to, or any ownership interest in, any Proprietary Rights as a result of having been involved in the development of such property while employed by or consulting to Borrower or any Subsidiary or otherwise. Except as disclosed on Schedule 5.23(g), all of the computer software products within the Proprietary Rights owned by Borrower or any Subsidiary shall be developed by employees of such Subsidiary within the scope of their employment, as a "work made for hire", or by consultants who assign all rights to such products to Borrower or such Subsidiary or have otherwise been assigned by such employees or consultants to Borrower or such Subsidiary.

(h) Except for any payments received from customers for products and services provided in the ordinary course of business, not use government funding or university or college resources or facilities in the development of Proprietary Rights.

(i) Give fifteen (15) days' advance notice to Collateral Agent of before filing any applications for registration of any copyrights with the United States Copyright Office.

Section 6.16 Post Closing Covenants. Borrower shall satisfy the requirements and/or provide to Collateral Agent each of the documents, instruments, agreements and information set forth on Schedule 6.16, in form and substance acceptable to Collateral Agent, on or before the date specified for such requirement in such Schedule or such later date to be determined by Collateral Agent in its sole discretion, each of which shall be completed or provided in form and substance satisfactory to Collateral Agent.

Section 6.17 Reserved.

Section 6.18 Warrants. Only Borrower shall issue warrants, and Borrower shall only issue warrants that are exercisable for shares of common capital stock of Borrower. Prior to the issuance by Borrower of any warrants, Borrower shall properly authorize and set aside the number of shares of common capital stock needed in respect of such warrants to be issued so that the number of shares of common capital stock needed in respect of all outstanding warrants, including, without limitation, such warrants to be newly issued, are authorized and set aside for issuance. In respect of any and all warrants exercised by any holder thereof, Borrower agrees that it shall issue and deliver, and shall only issue and deliver, certificates of common capital stock to the holder thereof (it being acknowledged and agreed that as set forth in Section 7.6 in no event shall any cash payment of any kind be made in respect of any warrant other than the BIP Warrant).

Section 6.19 Board Observer. Borrower shall hold regular meetings of its board of directors (or equivalent governing body) at least once per calendar quarter and shall permit all members of management reasonably requested by Collateral Agent to attend such meetings and be available to discuss the affairs of Borrower and its Subsidiaries. Collateral Agent shall be entitled to designate one (1) observer (the "Observer") of the board of directors (or equivalent governing body) of Borrower, and any committee thereof, which Observer shall receive (at the same time and in the same manner provided to the directors) notice of and copies of all materials provided to directors in connection with, and shall be entitled to attend, at Borrower's expense, all meetings of the board of directors (or equivalent governing body) of such Loan Party, and any committee thereof. Collateral Agent shall also receive (at the same time and in the same manner provided to the directors) notice of and copies of all materials provided to the directors in connection with any actions to be taken by written consent of the board of directors (or equivalent governing body) of each Loan Party, and any committee thereof. Borrower shall reimburse Collateral Agent for all reasonable expenses (including all reasonable travel, meal and lodging expenses) incurred by the Observer (and any such additional guests) in connection with attending any meetings described above. If an issue is to be discussed or otherwise arises at any meeting of the board of directors or committee thereof which, in the reasonable good faith judgment of the board of directors, is not appropriate to be discussed in the presence of the Observer in order to preserve an attorney-client privilege or to discuss the Obligations or any other matter involving the relationship between the Borrower and its Subsidiaries, on the one hand, and the Collateral Agent and/or Lenders, on the other hand, then such issue may be discussed without the Observer being present, so long as the Observer is given notice of the occurrence of such judgment by the board of directors and that the Observer is being excused.

The Observer shall not be entitled to vote on any matters submitted to the board of directors or any committee. The appointment of the Observer to the board of directors shall not limit the ability of the board of directors to take action without a meeting so long as such action is permissible under applicable law and this Agreement and prompt notice of such action is provided to the Collateral Agent.

Section 6.20 Reporting. Borrower will file complete and correct SEC Reports within the time period required by the SEC or any other applicable self-regulatory authority therefor, as applicable.

SECTION 7. NEGATIVE COVENANTS.

So long as all or any portion of the Obligations hereunder remain outstanding (other than contingent indemnification obligations for which no claim for payment has yet been asserted), Borrower agrees that:

Section 7.1 Borrowings and Guaranties. Borrower shall not, nor shall it permit any Subsidiary to, issue, incur, assume, create or have outstanding any Indebtedness for Borrowed Money, or be or become liable as endorser, guarantor, surety or otherwise for any debt, obligation or undertaking of any other Person, or otherwise agree to provide funds for payment of the obligations of another, or supply funds thereto or invest therein or otherwise assure a creditor of another against loss, or apply for or become liable to the issuer of a letter of credit which supports an obligation of another, or subordinate any claim or demand it may have to the claim or demand of any other Person; *provided* that the foregoing shall not restrict or operate to prevent:

(a) the Obligations of Borrower and its Subsidiaries owing to Collateral Agent and the Lenders under the Loan Documents and other indebtedness and obligations of such Persons owing to Collateral Agent and the Lenders;

(b) purchase money indebtedness and Capitalized Lease Obligations of Borrower and its Subsidiaries in an amount not to exceed \$460,000.00 in the aggregate at any one time outstanding;

(c) [reserved];

(d) Senior Debt under the Senior Debt Agreement in an aggregate principal amount not to exceed the Maximum First Lien Principal Amount (under and as defined in the Senior Lender Intercreditor Agreement) outstanding at any time;

(e) indebtedness in the form of seller notes and earn-out obligations incurred in connection with Permitted Acquisitions; *provided, however*, that (i) such indebtedness shall at all times be subordinated to the Obligations pursuant to a Subordination Agreement in form and substance satisfactory to Collateral Agent, (ii) the aggregate outstanding principal amount of any and all such seller notes and earn-out obligations shall not at any time exceed \$5,750,000, and (iii) such indebtedness shall at all times be unsecured;

(f) indebtedness of Borrower to any Wholly-owned Subsidiary or indebtedness of any Wholly-owned Subsidiary to Borrower or another Wholly-owned Subsidiary; provided that such indebtedness shall be evidenced by a demand note in form and substance reasonably satisfactory to Collateral Agent and pledged and delivered to Collateral Agent pursuant to the Collateral Documents as additional collateral security for the Obligations, and the obligations under such demand note shall be subordinated to the Obligations of Borrower hereunder in a manner reasonably satisfactory to Collateral Agent;

(g) unsecured indebtedness of Borrower and its Subsidiaries not otherwise permitted by this Section in an amount not to exceed \$143,750.00 in the aggregate at any one time outstanding;

(h) the MGL Seller Note; provided, however, that (i) such indebtedness shall either (x) upon the prior written consent of Collateral Agent, be paid in full (it being understood and agreed that any such prior written consent of Collateral Agent shall require at a minimum that the Senior Lender shall have consented to such payment) or (y) no later than 60 days following the date hereof and at all times thereafter be subordinated to the Obligations pursuant to a Subordination Agreement, (ii) the aggregate outstanding principal amount of the MGL Seller Note shall not at any time exceed \$1,600,000, and (iii) such indebtedness shall at all times be unsecured;

(i) the Brainchild Earn-Out; *provided*, however, that (i) the maximum amount payable in respect of such indebtedness shall not exceed \$201,250 and (ii) such indebtedness shall at all times be unsecured;

(j) the Brainchild Put Right; *provided*, however, that (i) the maximum amount payable in respect of such indebtedness shall not exceed \$575,000 and (ii) such indebtedness shall at all times be unsecured;

(k) the DialedIn Earn-Out; *provided*, however, that (i) the maximum amount payable in respect of such indebtedness shall not exceed \$57,500.

(l) the DialedIn General Sales Commission; *provided*, however, that (i) the maximum amount payable in respect of such indebtedness shall not exceed \$57,500 and (ii) such indebtedness shall at all times be unsecured; and

(m) the DialedIn HP Sales Commission; *provided*, however, that (i) the maximum amount payable in respect of such indebtedness shall not exceed \$57,500 and (ii) such indebtedness shall at all times be unsecured.

Section 7.2 Liens. Borrower shall not, nor shall it permit any Subsidiary to, create, incur or permit to exist any Lien of any kind on any Property owned by any such Person; *provided* that the foregoing shall not apply to nor operate to prevent:

(a) Liens arising by statute in connection with worker's compensation, unemployment insurance, old age benefits, social security obligations, taxes, assessments, statutory obligations or other similar charges (other than Liens arising under ERISA), good faith cash deposits in connection with tenders, contracts or leases to which Borrower or any

Subsidiary is a party or other cash deposits required to be made in the ordinary course of business; *provided* in each case that the obligation is not for borrowed money and that the obligation secured is not overdue or, if overdue, is being contested in good faith by appropriate proceedings which prevent enforcement of the matter under contest and adequate reserves have been established therefor;

(b) mechanics', workmen's, materialmen's, landlords', carriers' or other similar Liens arising in the ordinary course of business as a matter of law with respect to obligations which are not due or which are being contested in good faith by appropriate proceedings which prevent enforcement of the matter under contest;

(c) judgment liens and judicial attachment liens not constituting an Event of Default under Section 8.1(g) and the pledge of assets for the purpose of securing an appeal, stay or discharge in the course of any legal proceeding;

(d) Liens on equipment of Borrower or any Subsidiary created solely for the purpose of securing indebtedness permitted by Section 7.1(b), representing or incurred to finance the purchase price of such Property; *provided* that no such Lien shall extend to or cover other Property of Borrower or such Subsidiary other than the respective Property so acquired, and the principal amount of indebtedness secured by any such Lien shall at no time exceed the purchase price of such Property, as reduced by repayments of principal thereon;

(e) any interest or title of a lessor or sublessor under any operating lease;

(f) easements, rights of way, restrictions, zoning restrictions and other similar encumbrances or minor defects or other irregularities in title against real property incurred in the ordinary course of business which, in the aggregate, are not substantial in amount and which do not materially detract from the value of the Property subject thereto or materially interfere with the ordinary conduct of the business of Borrower or any Subsidiary;

(g) Liens granted in favor of Collateral Agent pursuant to the Collateral Documents; and

(h) Liens granted in favor of Senior Lender pursuant to the Senior Debt Documents so long as such Lien is subject to the provisions of the Senior Lender Intercreditor Agreement.

Section 7.3 Investments, Acquisitions, Loans and Advances. Borrower shall not, nor shall it permit any Subsidiary to, directly or indirectly, make, retain or have outstanding any investments (whether through purchase of stock or obligations or otherwise) in, or loans or advances to (other than for travel advances and other similar cash advances made to employees in the ordinary course of business), any other Person, or acquire all or any substantial part of the assets or business of any other Person or division thereof; *provided* that the foregoing shall not apply to or operate to prevent:

(a) subject to Section 6.13, investments in direct obligations of the United States of America or of any agency or instrumentality thereof whose obligations constitute full faith and credit obligations of the United States of America, provided that any such obligations shall mature within one year of the date of issuance thereof;

(b) subject to Section 6.13, investments in commercial paper rated at least P-1 by Moody's and at least A-1 by S&P maturing within one year of the date of issuance thereof;

(c) subject to Section 6.13, investments in certificates of deposit issued by the Senior Lender and by any United States commercial bank having capital and surplus of not less than \$100,000,000 which have a maturity of one year or less;

(d) subject to Section 6.13, investments in repurchase obligations with a term of not more than 7 days for underlying securities of the types described in subsection (a) above entered into with any bank meeting the qualifications specified in subsection (c) above, provided all such agreements require physical delivery of the securities securing such repurchase agreement, except those delivered through the Federal Reserve Book Entry System;

(e) subject to Section 6.13, investments in money market funds that invest solely, and which are restricted by their respective charters to invest solely, in investments of the type described in the immediately preceding subsections (a), (b), (c), and (d) above;

(f) investments constituting Permitted Acquisitions; and

(g) other investments, loans, and advances in addition to those otherwise permitted by this Section in an amount not to exceed \$143,750.00 in the aggregate at any one time outstanding.

In determining the amount of investments, acquisitions, loans, and advances permitted under this Section, investments and acquisitions shall always be taken at the original cost thereof (regardless of any subsequent appreciation or depreciation therein), and loans and advances shall be taken at the principal amount thereof then remaining unpaid.

Section 7.4 Mergers, Consolidations and Sales. Borrower shall not, nor shall it permit any Subsidiary to, be a party to any merger or consolidation, or sell, transfer, lease or otherwise dispose of all or any part of its Property, including any disposition of Property as part of a sale and leaseback transaction, or in any event sell or discount (with or without recourse) any of its notes or accounts receivable; *provided* that this Section shall not apply to nor operate to prevent:

(a) the sale or lease of inventory or platform and/or software-based service offerings in the ordinary course of business;

(b) non-exclusive licensing of software in the ordinary course of business;

(c) the sale, transfer or other disposition of any tangible personal property that, in the reasonable business judgment of Borrower or its Subsidiary, has become obsolete or worn out, and which is disposed of in the ordinary course of business;

(d) upon at least five (5) Business Days prior written notice to Collateral Agent, any merger of or by any Wholly-owned Subsidiary into Borrower or into any other Wholly-owned Subsidiary;

(e) the sale, transfer, lease or other disposition of Property (other than Receivables, software and intellectual property) of Borrower or any Subsidiary (including any disposition of Property as part of a sale and leaseback transaction) aggregating for Borrower and its Subsidiaries not more than \$287,500.00 during any fiscal year of Borrower; and

(f) mergers or consolidations constituting Permitted Acquisitions.

Section 7.5 Maintenance of Subsidiaries. Borrower shall not assign, sell or transfer, nor shall it permit any Subsidiary to issue, assign, sell or transfer, any shares of capital stock or other equity interests of a Subsidiary; *provided* that the foregoing shall not operate to prevent (a) Liens on the capital stock or other equity interests of Subsidiaries granted to Collateral Agent on behalf of the Lenders pursuant to the Collateral Documents, (b) the issuance, sale, and transfer to any person of any shares of capital stock of a Subsidiary solely for the purpose of qualifying, and to the extent legally necessary to qualify, such person as a director of such Subsidiary and (c) any transaction permitted by Section 7.4(d) above.

Section 7.6 Dividends and Certain Other Restricted Payments. Borrower shall not, nor shall it permit any Subsidiary to, (a) declare or pay any dividends on or make any other distributions in respect of any class or series of its capital stock or other equity interests or any warrants (including, without limitation, the Warrants), options, or similar instruments to acquire the same (other than dividends or distributions payable solely in its capital stock or other equity interests), (b) directly or indirectly purchase, redeem, or otherwise acquire or retire any of its capital stock or other equity interests or any warrants (other than the BIP Warrant), options, or similar instruments to acquire the same, or (c) directly or indirectly pay management, consulting or similar fees to any Affiliate of Borrower or a Subsidiary, or (d) make any payment in respect of the Brainchild Earn-Out, the Brainchild Put Right, the DialedIn Earn-Out, the DialedIn General Sales Commission or the DialedIn HP Sales Commission, as applicable (collectively referred to herein as “*Restricted Payments*”); *provided* that the foregoing shall not operate to prevent the making of dividends or distributions by any Subsidiary to Borrower; *provided further* that,

(i) Borrower may pay to the Brainchild Seller the Brainchild Earn-Out, in accordance with the terms and conditions of Section 1.2.3 of the Brainchild Purchase Agreement in effect on the date hereof, so long as with respect to any proposed payment prior to and after giving effect to such proposed payment, (A) no Default or Event of Default shall have occurred and be continuing or would result therefrom, and (B) Borrower shall be in pro forma compliance with the financial covenants contained in Section 7.12 hereof as of the most recent fiscal quarter for which Borrower has delivered financial statements pursuant to Section 6.5(d) hereof;

(ii) Borrower may pay to the Brainchild Seller the Brainchild Put Right, in accordance with the terms and conditions of Section 1.2.2 of the Brainchild Purchase Agreement in effect on the date hereof, so long as with respect to any proposed payment prior to and after giving effect to such proposed payment, (A) no Default or Event of Default shall have occurred and be continuing or would result therefrom, (B) Borrower shall be in pro forma compliance with the financial covenants contained in Section 7.12 hereof as of the most recent fiscal quarter for which Borrower has delivered financial statements pursuant

to Section 6.5(d) hereof and (C) Borrower shall have Minimum Availability of no less than \$1,000,000;

(iii) Borrower may pay to the DialedIn EO Recipients the DialedIn Earn-Out, in accordance with the terms and conditions of Section 2.4 of the DialedIn Merger Agreement as in effect on the date hereof, so long as with respect to any proposed payment prior to and after giving effect to such proposed payment, (A) no Default or Event of Default shall have occurred and be continuing or would result therefrom, and (B) Borrower shall be in pro forma compliance with the financial covenants contained in Section 7.12 hereof as of the most recent fiscal quarter for which Borrower has delivered financial statements pursuant to Section 6.5(d) hereof;

(iv) Borrower may pay to the DialedIn EO Recipients the DialedIn General Sales Commission, in accordance with the terms and conditions of the DialedIn Sales Commission Agreement as in effect on the date hereof, so long as with respect to any proposed payment prior to and after giving effect to such proposed payment, (A) no Default or Event of Default shall have occurred and be continuing or would result therefrom, and (B) Borrower shall be in pro forma compliance with the financial covenants contained in Section 7.12 hereof as of the most recent fiscal quarter for which Borrower has delivered financial statements pursuant to Section 6.5(d) hereof;

(v) Borrower may pay to the DialedIn EO Recipients the DialedIn HP Sales Commission, in accordance with the terms and conditions of the DialedIn Sales Commission Agreement as in effect on the date hereof, so long as with respect to any proposed payment prior to and after giving effect to such proposed payment, (A) no Default or Event of Default shall have occurred and be continuing or would result therefrom, and (B) Borrower shall be in pro forma compliance with the financial covenants contained in Section 7.12 hereof as of the most recent fiscal quarter for which Borrower has delivered financial statements pursuant to Section 6.5(d) hereof; and

(vi) Borrower may pay to the GPA Learn Seller the GPA Learn Royalty (including, but not limited to, any payments of the GPA Learn Royalties previously prohibited by the terms hereof), in accordance with the terms and conditions of the GPA Learn Royalty Agreement as in effect on the date hereof, so long as with respect to any proposed payment prior to and after giving effect to such proposed payment, (A) no Default or Event of Default shall have occurred and be continuing or would result therefrom, and (B) Borrower shall be in pro forma compliance with the financial covenants contained in Section 7.12 hereof as of the most recent fiscal quarter for which Borrower has delivered financial statements pursuant to Section 6.5(d) hereof.

Section 7.7 Burdensome Contracts With Affiliates. Borrower shall not, nor shall it permit any Subsidiary to, enter into any contract, agreement or business arrangement with any of its Affiliates (other than as set forth on Schedule 5.14 hereto) on terms and conditions which are less favorable to Borrower or such Subsidiary than would be usual and customary in similar contracts, agreements or business arrangements between Persons not affiliated with each other. Borrower shall provide a copy to Collateral Agent of any contract, agreement or business arrangement entered into between Borrower or its Subsidiaries and any Affiliate thereof.

Section 7.8 No Changes in Fiscal Year. The fiscal year of Borrower and its Subsidiaries ends on December 31 of each year; and Borrower shall not, nor shall it permit any Subsidiary to, change its fiscal year from its present basis.

Section 7.9 Change in the Nature of Business. Borrower shall not, nor shall it permit any Subsidiary to, engage in any business or activity (other than related, ancillary or complimentary businesses and activities) if as a result the general nature of the business of Borrower or any Subsidiary would be changed in any material respect from the general nature of the business engaged in by it as of the Closing Date.

Section 7.10 No Restrictions. Except pursuant to this Agreement, the other Loan Documents and the Senior Debt Documents, Borrower shall not, nor shall it permit any Subsidiary to, directly or indirectly create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction of any kind on the ability of Borrower or any Subsidiary to: (a) pay dividends or make any other distribution on any Subsidiary's capital stock or other equity interests owned by Borrower or any other Subsidiary, (b) pay any indebtedness owed to Borrower or any other Subsidiary, (c) make loans or advances to Borrower or any other Subsidiary, (d) transfer any of its Property to Borrower or any other Subsidiary except for (i) restrictions on the transfer of specific Property contained in agreements relating to indebtedness permitted hereunder securing such Property so long as such restrictions only apply to the specific Property securing such indebtedness, (ii) customary restrictions in leases, licenses and other contracts entered into in the ordinary course of business customarily restricting the assignment thereof and restrictions on licenses, sublicenses and assignments of intellectual property, and (iii) customary restrictions on the Disposition of any asset pursuant to an agreement with a Person who is not an Affiliate of the Borrower or its Subsidiaries to dispose of such asset to such Person to the extent such Disposition is permitted hereunder and so long as such restrictions only apply to the assets being sold, or (e) guarantee the Obligations and/or grant Liens on its assets to Collateral Agent on behalf of the Lenders as required by the Loan Documents.

Section 7.11 Constituent Documents and Subordinated Debt. Borrower shall not, nor shall it permit any Subsidiary to, (a) amend or modify its Constituent Documents in any manner materially adverse to Collateral Agent or the Lenders, (b) amend or modify, or waive any rights under any, any Related Agreement, other than immaterial amendments, modifications and waivers not adverse to the interests of Collateral Agent or (c)(i) amend or modify any of the terms or conditions relating to Subordinated Debt (except to the extent permitted pursuant to the applicable Subordination Agreement), (ii) amend or modify any of the terms or conditions relating to Senior Debt (except to the extent permitted pursuant to the applicable Senior Lender Intercreditor Agreement), (iii) make any voluntary prepayment of Subordinated Debt or effect any voluntary redemption thereof, or (iv) make any payment on account of Subordinated Debt which is prohibited under the terms of any instrument or agreement subordinating the same to the Obligations, including, without limitation, any Subordination Agreement. Notwithstanding the foregoing, Borrower may agree to a decrease in the interest rate applicable to Subordinated Debt or to a deferral of repayment of any of the principal of or interest on the Subordinated Debt beyond the current due dates therefor.

Section 7.12 Financial Covenants.

(a) *Total Funded Debt/EBITDA Ratio.* As of the last day of each fiscal quarter of Borrower ending during the relevant period set forth below, Borrower shall not permit the Total Funded Debt/EBITDA Ratio to be greater than the corresponding ratio set forth opposite such period:

Period(s) Ending	Total Funded Debt/EBITDA Ratio shall not be greater than:
Fiscal quarter ending on or about 9/30/2016	3.45 to 1.00
Fiscal quarter ending on or about 12/31/2016	3.45 to 1.00
Fiscal quarter ending on or about 3/31/2017	3.45 to 1.00
Fiscal quarter ending on or about 6/30/2017	3.45 to 1.00
Fiscal quarter ending on or about 9/30/2017	3.45 to 1.00
Fiscal quarter ending on or about 12/31/2017 and at all times thereafter	3.45 to 1.00

(b) *Fixed Charge Coverage Ratio.* As of the last day of each fiscal quarter of Borrower ending during the relevant period set forth below, Borrower shall maintain a ratio of (i) EBITDA of Borrower and its Subsidiaries for the four fiscal quarters then ended, less the sum of (x) Unfinanced Capital Expenditures for such period and (y) Unfinanced Software Development Costs for such period, to (ii) Fixed Charges of Borrower and its Subsidiaries for the same four fiscal quarters then ended of not less than:

Period(s) Ending	Ratio shall not be less than:
Fiscal quarter ending on or about 9/30/2016	1.00 to 1.00
Fiscal quarter ending on or about 12/31/2016	1.00 to 1.00
Fiscal quarter ending on or about 3/31/2017	1.00 to 1.00
Fiscal quarter ending on or about 6/30/2017 and at all times thereafter	1.00 to 1.00

(c) *Software Development Costs.* Borrower shall not, nor shall it permit any of its Subsidiaries to, incur Software Development Costs in an amount in excess of the following amounts for the following specified periods: (i) \$3,737,500 for the twelve (12) month period commencing as of July 1, 2016 through and including June 30, 2017 and (ii) \$1,437,500 for the twelve (12) month period commencing as of July 1, 2017 through and including June 30, 2018 and each twelve (12) month period thereafter. The amount of any Software Development Costs permitted to be made in respect of any twelve (12) month period shall be increased by 100% of the unused amount of Software Development Costs that were permitted to be made during the immediately preceding twelve (12) month period pursuant hereto. Software Development Costs in any twelve (12) month period shall be deemed to use first, the amount permitted for such twelve (12) month period without giving effect to any carryover amount and, second, any amount permitted to be carried forward to such twelve (12) month period.

(d) *Operating Leases.* Borrower shall not, nor shall it permit any Subsidiary to, acquire the use or possession of any Property under a lease or similar arrangement, whether or not Borrower or any Subsidiary has the express or implied right to acquire title to or purchase such Property, at any time if, after giving effect thereto, the aggregate amount of fixed rentals and other consideration payable by Borrower and its Subsidiaries under all such leases and similar arrangements would exceed \$230,000.00 during any fiscal year of Borrower. Capital Leases shall not be included in computing compliance with this Section to the extent Borrower's and its Subsidiaries' liability in respect of the same is permitted by Section 7.1(b).

Section 7.13 Rate Management Arrangements. No Loan Party will enter into Rate Management Agreements or become liable for liabilities arising from Rate Management Agreements except as approved by the Collateral Agent or as required under Section 6.14 of the Senior Debt Agreement.

Section 7.14 Real Property. No Loan Party shall acquire any real property except as permitted by the Required Lenders. As soon as reasonably practical after any permitted acquisition of real property, the Loan Party acquiring such real property shall deliver a perfected mortgage Lien in favor of the Collateral Agent, for the ratable benefit of the Lenders (and in form and substance acceptable to the Collateral Agent) on any after-acquired real property of Borrower or any of its Subsidiaries.

Section 7.15 Use of Collateral Agent's or any Lender's Name. No Loan Party shall use the Collateral Agent's or any Lender's name in connection with any of its business operations other than disclosing the lending arrangement among Borrower and its Subsidiaries and the Lenders or as otherwise required by applicable law or regulation including, without limitation, as required by reporting requirements under the Exchange Act. Nothing herein contained is intended to permit or authorize any Loan Party to make any contract on behalf of any Lender or the Collateral Agent.

Section 7.16 Material Impairment. No Loan Party shall become or be a party to any contract or agreement which, in the reasonable business judgment of such Loan Party, materially impairs such Person's ability to perform under this Agreement.

SECTION 8. EVENTS OF DEFAULT AND REMEDIES.

Section 8.1 Events of Default. Any one or more of the following shall constitute an "Event of Default" hereunder:

(a) default in the payment when due of all or any part of the principal or interest of the Term Loan (whether at the stated maturity thereof or at any other time provided for in this Agreement), or default for a period of three (3) days shall occur in the payment when due of any fee or other Obligation payable hereunder or under any other Loan Document;

(b) default in the observance or performance of any covenant set forth in Sections 6.1, 6.4, 6.5, 6.6, 6.11, 6.13, 6.15, 6.16, 6.18, 6.19, 6.20, 6.21 and Section 7 or of any provision in any Loan Document dealing with the use, disposition or remittance of the proceeds of Collateral or requiring the maintenance of insurance thereon;

(c) default in the observance or performance of any other provision hereof or of any other Loan Document which is not remedied within 30 days after the earlier of (i) the date on which such failure shall first become known to any officer of Borrower or (ii) written notice thereof is given to Borrower by Collateral Agent;

(d) any representation or warranty made herein or in any other Loan Document or in any certificate furnished to Collateral Agent or the Lenders pursuant hereto or thereto or in connection with any transaction contemplated hereby or thereby proves untrue in any respect (or in any material respect if such representation, warranty, certification or statement is not by its terms already qualified as to materiality) as of the date of the issuance or making or deemed making thereof;

(e) any event occurs or condition exists (other than those described in subsections (a) through (d) above) which is specified as an event of default under any of the other Loan Documents, or any of the Loan Documents shall for any reason not be or shall cease to be in full force and effect or is declared to be null and void, or any of the Collateral Documents shall for any reason fail to create a valid and perfected Lien in favor of Collateral Agent on behalf of the Lenders in any Collateral purported to be covered thereby except as expressly permitted by the terms thereof, or any Subsidiary takes any action for the purpose of terminating, repudiating or rescinding any Loan Document executed by it or any of its obligations thereunder;

(f) default shall occur under any Indebtedness for Borrowed Money (other than the Senior Debt) issued, assumed or guaranteed by Borrower or any Subsidiary aggregating in excess of \$115,000.00, or under any indenture, agreement or other instrument under which the same may be issued, and such default shall continue for a period of time sufficient to permit the acceleration of the maturity of any such Indebtedness for Borrowed Money (whether or not such maturity is in fact accelerated), or any such Indebtedness for Borrowed Money shall not be paid when due (whether by demand, lapse of time, acceleration or otherwise);

(g) any judgment or judgments, writ or writs or warrant or warrants of attachment, or any similar process or processes, shall be entered or filed against Borrower or any Subsidiary, or against any of its Property, in an aggregate amount in excess of \$115,000.00 (except to the extent fully covered by insurance as to which the insurer has been notified of such judgment and has not denied coverage), and which remains undischarged, unvacated, unbonded or unstayed for a period of 30 days;

(h) Borrower or any Subsidiary, or any member of its Controlled Group, shall fail to pay when due an amount or amounts aggregating in excess of \$115,000.00 which it shall have become liable to pay to the PBGC or to a Plan under Title IV of ERISA; or notice of intent to terminate a Plan or Plans having aggregate Unfunded Vested Liabilities in excess of \$115,000.00 (collectively, a "*Material Plan*") shall be filed under Title IV of ERISA by Borrower or any Subsidiary, or any other member of its Controlled Group, any plan administrator or any combination of the foregoing; or the PBGC shall institute proceedings under Title IV of ERISA to terminate or to cause a trustee to be appointed to administer any Material Plan or a proceeding shall be instituted by a fiduciary of any Material Plan against Borrower or any Subsidiary, or any member of its Controlled Group, to enforce Section 515 or 4219(c)(5) of ERISA and such proceeding shall not have been dismissed within 30 days thereafter; or a condition shall exist by

reason of which the PBGC would be entitled to obtain a decree adjudicating that any Material Plan must be terminated;

(i) any Change of Control shall occur;

(j) Borrower or any Subsidiary shall (i) have entered involuntarily against it an order for relief under the United States Bankruptcy Code, as amended, (ii) not pay, or admit in writing its inability to pay, its debts generally as they become due, (iii) make an assignment for the benefit of creditors, (iv) apply for, seek, consent to or acquiesce in, the appointment of a receiver, custodian, trustee, examiner, liquidator or similar official for it or any substantial part of its Property, (v) institute any proceeding seeking to have entered against it an order for relief under the United States Bankruptcy Code, as amended, to adjudicate it insolvent, or seeking dissolution, winding up, liquidation, reorganization, arrangement, adjustment or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors or fail to file an answer or other pleading denying the material allegations of any such proceeding filed against it, (vi) take any corporate action in furtherance of any matter described in parts (i) through (v) above, or (vii) fail to contest in good faith any appointment or proceeding described in Section 8.1(k);

(k) a custodian, receiver, trustee, examiner, liquidator or similar official shall be appointed for Borrower or any Subsidiary, or any substantial part of any of its Property, or a proceeding described in Section 8.1(j)(v) shall be instituted against Borrower or any Subsidiary, and such appointment continues undischarged or such proceeding continues undismissed or unstayed for a period of 60 days;

(l) (i) the occurrence of an "Event of Default" under Section 8.1(a) of the Senior Debt Agreement as in effect on the date hereof with respect to principal and/or interest in an aggregate amount in excess of \$406,250 or (ii) the occurrence of any other breach or default, or the occurrence of any condition or event, with respect to the Senior Debt if the effect of such breach, default or occurrence is to cause the Senior Debt to become or be declared due and payable prior to its stated maturity;

(m) any subordination provision in any document or instrument governing Subordinated Debt, or any subordination provision in any subordination agreement that relates to any Subordinated Debt, or any subordination provision in any guaranty by Borrower or any Subsidiary of any Subordinated Debt, shall cease to be in full force and effect or enforceable; or Borrower, any Subsidiary or any other Person (including the holder of any applicable Subordinated Debt) shall contest in any manner the validity, binding nature or enforceability of any such provision or breach any provision in any such subordination agreement;

(n) any court, government or Governmental Authority shall condemn, seize or otherwise appropriate, or take custody or control of, all or any material portion of the Property of any Loan Party; or

(o) any investigation or proceeding before or by any Governmental Authority could reasonably be expected to have a Material Adverse Effect.

Section 8.2 Non Bankruptcy Defaults. When any Event of Default (other than those described in Section 8.1(j) or (k) with respect to Borrower) has occurred and is continuing, Collateral Agent may, by written notice to Borrower declare the principal of and the accrued interest on the Term Loan to be forthwith due and payable and thereupon the Term Loan, including both principal and interest thereon, shall be and become immediately due and payable together with all other amounts payable under the Loan Documents without further demand, presentment, protest or notice of any kind.

Section 8.3 Bankruptcy Defaults. When any Event of Default described in Section 8.1(j) or (k) with respect to Borrower has occurred and is continuing, then the Term Loan together with all other amounts payable under the Loan Documents shall immediately become due and payable without presentment, demand, protest or notice of any kind.

SECTION 9. COLLATERAL AGENT.

Section 9.1 Appointment and Authorization of Collateral Agent. Each Lender hereby irrevocably (subject to Section 9.9) appoints, designates and authorizes the Collateral Agent to take such action on its behalf under the provisions of this Agreement and each other Loan Document and to exercise such powers and perform such duties as are expressly delegated to it by the terms of this Agreement or any other Loan Document, together with such powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary contained elsewhere herein or in any other Loan Document, the Collateral Agent shall not have any duties or responsibilities, except those expressly set forth herein, nor shall the Collateral Agent have or be deemed to have any fiduciary relationship with any Lender or participant, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Loan Document or otherwise exist against the Collateral Agent. Without limiting the generality of the foregoing sentence, the use of the term "Collateral Agent" herein and in the other Loan Documents with reference to the Collateral Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead, such term is used merely as a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties.

Section 9.2 Collateral Matters.

(a) Each Lender hereby irrevocably authorizes and directs Collateral Agent to enter into the Collateral Documents for the benefit of the Lenders. Each Lender hereby authorizes the Collateral Agent to act as the agent of such Person for purposes of acquiring, holding and enforcing any and all Liens on Collateral to secure any of the Obligations, together with such powers and discretion as are reasonably incidental thereto. Each Lender by the acceptance thereof will be deemed to agree, that, except as otherwise set forth in Section 11.8, any action taken or directed by the Collateral Agent, in accordance with the provisions of this Agreement or the Collateral Documents, and the exercise by Collateral Agent of the powers set forth herein or therein, together with such other powers as are reasonably incidental thereto, shall be authorized and binding upon all of the Lenders.

(b) Each Lender hereby irrevocably authorizes the Collateral Agent to release any Lien on any property granted to or held by the Collateral Agent under any Loan Document (i) upon the payment in full of all Obligations (other than contingent indemnification obligations), (ii) that is sold or to be sold as part of or in connection with any sale permitted hereunder, (iii) subject to Section 11.8, if approved, authorized or ratified in writing by the Required Lenders, or (iv) in connection with any foreclosure sale or other disposition of Collateral after the occurrence of an Event of Default if approved, authorized or ratified in writing by the Required Lenders.

(c) Each Lender hereby appoints each other Lender as agent for the purpose of perfecting Liens in assets which, in accordance with Article 9 of the UCC can be perfected only by possession. Should any Lender (other than the Collateral Agent) obtain possession of any such Collateral, such Lender shall notify the Collateral Agent thereof, and, promptly upon the Collateral Agent's request therefor deliver such Collateral to the Collateral Agent or in accordance with the Collateral Agent's instructions.

Section 9.3 Delegation of Duties. The Collateral Agent may execute any of its duties under this Agreement or any other Loan Document by or through agents, employees or attorneys-in-fact and shall be entitled to advice of counsel and other consultants or experts concerning all matters pertaining to such duties. The Collateral Agent shall not be responsible for the negligence or misconduct of any agent or attorney-in-fact that it selects in the absence of gross negligence or willful misconduct.

Section 9.4 Liability of Collateral Agent. Neither the Collateral Agent nor its Affiliates (other than Borrower) shall (a) be liable for any action taken or omitted to be taken by any of them under or in connection with this Agreement or any other Loan Document or the transactions contemplated hereby (except for its own gross negligence or willful misconduct in connection with its duties expressly set forth herein), or (b) be responsible in any manner to any Lender or participant for any recital, statement, representation or warranty made by any Borrower or any officer thereof, contained herein or in any other Loan Document, or in any certificate, report, statement or other document referred to or provided for in, or received by the Collateral Agent under or in connection with, this Agreement or any other Loan Document, or the validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Loan Document, or for any failure of Borrower or any other party to any Loan Document to perform its Obligations hereunder or thereunder. Neither the Collateral Agent nor its Affiliates (other than Borrower) shall be under any obligation to any Lender or participant to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Loan Document, or to inspect the properties, books or records of Borrower.

Section 9.5 Reliance by Collateral Agent.

(a) The Collateral Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, communication, signature, resolution, representation, notice, consent, certificate, affidavit, letter, telegram, facsimile, telex or telephone message, statement or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons, and upon advice and statements of legal counsel (including counsel to Borrower), independent accountants and other experts selected by the

Collateral Agent. The Collateral Agent shall be fully justified in failing or refusing to take any action under any Loan Document unless it shall first receive such advice or concurrence of the Required Lenders as it deems appropriate and, if it so requests, it shall first be indemnified to its commercially reasonable satisfaction by the Lenders against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. The Collateral Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement or any other Loan Document in accordance with a request or consent of the Required Lenders or all Lenders, if required hereunder, and such request and any action taken or failure to act pursuant thereto shall be binding upon all Lenders and participants. Where this Agreement expressly permits or prohibits an action unless the Required Lenders otherwise determine, the Collateral Agent shall, and in all other instances, the Collateral Agent may, but shall not be required to, initiate any solicitation for the consent or a vote of the Lenders.

(b) For purposes of determining compliance with the conditions specified in Section 4.1, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter either sent by the Collateral Agent to such Lender for consent, approval, acceptance or satisfaction, or required thereunder to be consented to or approved by or acceptable or satisfactory to such Lender.

Section 9.6 Notice of Default. The Collateral Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default, unless the Collateral Agent shall have received written notice from a Lender or Borrower referring to this Agreement, describing such Default or Event of Default and stating that such notice is a “notice of default”. The Collateral Agent will notify the Lenders of its receipt of any such notice. The Collateral Agent shall take such action with respect to such Default or Event of Default as may be directed by the Required Lenders in accordance with Section 11.2; provided, however, that unless and until the Collateral Agent has received any such direction, the Collateral Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable or in the best interest of the Lenders.

Section 9.7 Investment Decision; Disclosure of Information by Collateral Agent. Each Lender acknowledges that neither the Collateral Agent nor its Affiliates (other than Borrower) has made any representation or warranty to it, and that no act by the Collateral Agent hereinafter taken, including any consent to and acceptance of any assignment or review of the affairs of Borrower, shall be deemed to constitute any representation or warranty by the Collateral Agent or its Affiliates (other than Borrower) to any Lender as to any matter, including whether the Collateral Agent or its Affiliates (other than Borrower) have disclosed material information in their possession. Each Lender represents to the Collateral Agent that it has, independently and without reliance upon the Collateral Agent or its Affiliates (other than Borrower) and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, prospects, operations, property, financial and other condition and creditworthiness of Borrower and their respective Subsidiaries, and all applicable legal requirements relating to the transactions contemplated hereby, and made its own decision to enter into this Agreement. Each Lender also represents that it will, independently and without reliance upon the Collateral Agent or its Affiliates (other than Borrower) and based on such documents and information as it shall deem appropriate at the time, continue to make its own analysis, appraisals and decisions in taking or not taking action under this Agreement and the

other Loan Documents, and to make such investigations as it deems necessary to inform itself as to the business, prospects, operations, property, financial and other condition and creditworthiness of Borrower. Except for notices, reports and other documents expressly required to be furnished to Lenders by the Collateral Agent herein, the Collateral Agent shall not have any duty or responsibility to provide any Lender with any information concerning the business, prospects, operations, property, financial and other condition or creditworthiness of any Borrower which may come into the possession of the Collateral Agent or its Affiliates (other than Borrower).

Section 9.8 Indemnification of Collateral Agent. Whether or not the transactions contemplated hereby are consummated, the Lenders shall indemnify upon demand the Collateral Agent or its Affiliates acting pursuant to Section 9.2 (other than Borrower) (to the extent not reimbursed by or on behalf of any Borrower and without limiting the obligation of Borrower to do so), pro rata based on the principal amount of the Notes then held by each Lender, and hold harmless the Collateral Agent or its Affiliates acting pursuant to Section 9.2 (other than Borrower) from and against any and all claims, damages, losses, liabilities, costs, and expenses (including, without limitation, reasonable attorneys' fees) that may be incurred by or asserted or awarded against the Collateral Agent or its Affiliates (other than Borrower), in each case arising out of or in connection with or by reason of (including, without limitation, in connection with any investigation, litigation, or proceeding or preparation of defense in connection therewith) the Loan Documents, any of the transactions contemplated herein or the actual or proposed use of the proceeds of the Term Loan, except to the extent such claim, damage, loss, liability, cost, or expense is found in a final, non-appealable judgment by a court of competent jurisdiction to have resulted from the Collateral Agent's or its Affiliate's (other than Borrower) gross negligence or willful misconduct; provided, however, that no action taken in accordance with the directions of the Required Lenders or the Lenders, as applicable, shall be deemed to constitute gross negligence or willful misconduct for purposes of this Section. Without limitation of the foregoing, each Lender shall reimburse the Collateral Agent upon demand for its ratable share of any costs or out-of-pocket expenses (including reasonable attorneys fees and the allocated costs of internal counsel) incurred by the Collateral Agent in connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement, any other Loan Document, or any document contemplated by or referred to herein, to the extent that the Collateral Agent is not reimbursed for such expenses by or on behalf of Borrower. The undertaking in this Section shall survive the payment of all Obligations hereunder and the resignation or replacement of the Collateral Agent.

Section 9.9 Successor Collateral Agent. The Collateral Agent may resign as Collateral Agent upon 45 days' notice to the Lenders and Borrower. If the Collateral Agent resigns under this Agreement, the Required Lenders (excluding the Lender, if any, that is the resigning Collateral Agent for purposes of this vote) shall appoint from among the Lenders a successor collateral agent for the Lenders which successor collateral agent shall be consented to by Borrower at all times other than during the existence of an Event of Default (which consent of Borrower shall not be unreasonably withheld or delayed). If no successor collateral agent is appointed prior to the effective date of the resignation of the Collateral Agent, the Collateral Agent may appoint, after consulting with the Lenders and Borrower, a successor collateral agent from among the other Lenders. Upon the acceptance of its appointment as successor collateral

agent hereunder, such successor collateral agent shall succeed to all the rights, powers and duties of the retiring Collateral Agent and the term “Collateral Agent” shall mean such successor collateral agent and the retiring Collateral Agent’s appointment, powers and duties as Collateral Agent shall be terminated. After any retiring Collateral Agent’s resignation hereunder as Collateral Agent, the provisions of this Section 9 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Collateral Agent under this Agreement. If no successor collateral agent has accepted appointment as Collateral Agent by the date which is 45 days following a retiring Collateral Agent’s notice of resignation, the retiring Collateral Agent’s resignation shall nevertheless thereupon become effective and the Lenders shall perform all of the duties of the Collateral Agent hereunder until such time, if any, as the Required Lenders appoint a successor agent as provided for above.

Section 9.10 Reliance on Collateral Agent. Notwithstanding the foregoing, Borrower shall be entitled to rely conclusively on the written instructions of the Collateral Agent made on behalf of the Lenders, as to any actions required or permitted to be taken by the Collateral Agent pursuant to Sections 9.2, 9.3 or 9.6, and no party hereunder shall have any cause of action against any Borrower for any action taken by Borrower in reliance upon the written instructions of the Collateral Agent.

SECTION 10. REPRESENTATIONS AND WARRANTIES OF LENDER.

Lender represents and warrants to Borrower as follows:

Section 10.1 Securities Laws.

(a) The Purchased Securities are being or will be acquired by Lender and Collateral Agent hereunder for their own account, not as a nominee or agent, and not with the view to, or for resale in connection with, any distribution thereof in any transaction which would be in violation of state or federal securities laws.

(b) Each of Lender and Collateral Agent is an “accredited investor” as defined in Rule 501(a) of Regulation D promulgated under the Securities Act.

(c) Each of Lender and Collateral Agent understands that (i) the Purchased Securities constitute “restricted securities” under the Securities Act, (ii) the offer and sale of the Purchased Securities hereunder is not registered under the Securities Act or under any “blue sky” laws in reliance upon certain exemptions from such registration and that Borrower is relying on the representations made herein by Lender and Collateral Agent in its determination of whether such specific exemptions are available, and (iii) the Purchased Securities may not be transferred except pursuant to an effective registration statement under the Securities Act, or under an exemption from such registration available under the Securities Act and under applicable “blue sky” laws or in a transaction exempt from such registration. Each of Lender and Collateral Agent acknowledges that: (1) it has no right to require registration thereof under the Securities Act or any “blue sky” laws, and (2) there is not now and is not contemplated to be any public market therefor. As a result, Lender and Collateral Agent are prepared to bear the economic risk of an investment in the Purchased Securities for an indefinite period of time.

(d) Each of Lender and Collateral Agent (i) has been given an opportunity to have access to all material books and records of the Loan Parties and all of their respective material contracts, agreements and documents and (ii) has had an opportunity to ask questions of, and receive answers from, representatives of the Loan Parties and which representatives have made available to Lender and Collateral Agent such information regarding the Loan Parties and their current respective businesses, operations, assets, finances, financial results, financial condition and prospects in order for Lender and Collateral Agent to make a fully informed decision to purchase and acquire the Purchased Securities. Each of Lender and Collateral Agent has generally such knowledge and experience in business and financial matters, and with respect to investments in securities of privately held companies, as to enable it to understand and evaluate the risks of an investment in the Purchased Securities and form an investment decision with respect thereto. The foregoing, however, does not limit or modify the representations and warranties set forth in Section 5 hereof or in any other Loan Document or the right of Lender or Collateral Agent to rely thereon.

SECTION 11. MISCELLANEOUS.

Section 11.1 No Waiver, Cumulative Remedies. No delay or failure on the part of Collateral Agent or the Lenders in the exercise of any power or right under any Loan Document shall operate as a waiver thereof or as an acquiescence in any default, nor shall any single or partial exercise of any power or right preclude any other or further exercise thereof or the exercise of any other power or right. The rights and remedies hereunder of Collateral Agent and the Lenders are cumulative to, and not exclusive of, any rights or remedies which Collateral Agent and the Lenders would otherwise have.

Section 11.2 Non-Business Days. If any payment hereunder becomes due and payable on a day which is not a Business Day, the due date of such payment shall be extended to the next succeeding Business Day on which date such payment shall be due and payable. In the case of any payment of principal falling due on a day which is not a Business Day, interest on such principal amount shall continue to accrue during such extension at the rate per annum then in effect, which accrued amount shall be due and payable on the next scheduled date for the payment of interest.

Section 11.3 Survival of Representations. All representations and warranties made herein or in any other Loan Document or in certificates given pursuant hereto or thereto shall survive the execution and delivery of this Agreement and the other Loan Documents, and shall continue in full force and effect with respect to the date as of which they were made as long as any credit is in use.

Section 11.4 Survival of Indemnity and Certain Other Provisions. All indemnity provisions, including, but not limited to, Section 11.10, shall survive the payment and satisfaction of all Obligations and the termination of this Agreement and the other Loan Documents, and shall remain in force beyond the expiration of any applicable statute of limitations and payment or satisfaction in full of any single claim thereunder. All such indemnity and other provisions shall be binding upon the successors and assigns of Borrower and shall inure to the benefit of each applicable Indemnitee and its successors and assigns.

Section 11.5 Notices. Except as otherwise specified herein, all notices hereunder and under the other Loan Documents shall be in writing (including notice by telecopy) and shall be given to the relevant party at its address or telecopier number set forth below, or such other address or telecopier number as such party may hereafter specify by notice to the other given by courier, by United States certified or registered mail, by telecopy (if applicable) or by other telecommunication device capable of creating a written record of such notice and its receipt. Notices under the Loan Documents shall be addressed:

to Borrower:

Quadrant 4 System Corporation
1501 E. Woodfield Road, Suite 205S
Schaumburg, IL 60174
Attention: Nandu Thonadvadi
Telephone: (847) 871-9450
Telecopy: N/A

With a copy to:

Nixon Peabody LLP
70 W. Madison, Suite 3500
Chicago, Illinois 60602
Attn: Gary I. Levenstein, Esq.
Telecopier No.: (844) 562-7985

to Collateral Agent:

BIP Lender, LLC
3575 Piedmont Road NE
Building 15, Suite 730
Atlanta, GA 30305
Attention: Cres Ferrell
Telephone: (404) 405-2807
Telecopy: N/A

With a copy to:

Nelson Mullins Riley & Scarborough LLP
201 17th Street, N.W.
Atlanta, Georgia 30363
Facsimile: (404) 322-6050
Attention: William J. Ching

Each such notice, request or other communication shall be effective (i) if given by telecopier, when such telecopy is transmitted to the telecopier number specified in this Section and a confirmation of such telecopy has been received by the sender, (ii) if given by mail, 5 days after such communication is deposited in the mail, certified or registered with return receipt requested, addressed as aforesaid or (iii) if given by any other means, when delivered at the addresses specified in this Section; *provided* that any notice given pursuant to Section 2 shall be effective only upon receipt.

Section 11.6 Counterparts. This Agreement may be executed in any number of counterparts, and by the different parties hereto on separate counterpart signature pages, each of which shall constitute an original, and all such counterparts taken together shall be deemed to constitute one and the same instrument.

Section 11.7 Successors and Assigns. This Agreement shall be binding upon Borrower and its successors and assigns, and shall inure to the benefit of the Collateral Agent, the Lenders and their respective successors and assigns, including any subsequent holder of any of the Obligations. Borrower may not assign any of its rights or obligations under any Loan Document without the written consent of Collateral Agent. Subject to applicable securities laws, each Lender or Collateral Agent may, without the consent of Borrower or any other Loan Party, transfer any Note and the Warrant Securities held by it in whole or in part and may assign its rights under the Loan Documents to such transferee. In addition, each Lender may at any time,

without the consent of, or notice to, any Loan Party sell participations to any Person (each, a “Participant”) in all or a portion of such Lender’s rights and/or obligations under this Agreement and the other Loan Documents; provided that such Lender’s obligations under this Agreement and the other Loan Documents shall remain unchanged, and the Loan Parties shall continue to deal solely and directly with such Lender, as the case may be, in connection with the provisions of this Agreement and the other Loan Documents.

Section 11.8 Amendments, etc. No amendment, modification, termination or waiver of any provision of this Agreement or of any other Loan Document, nor consent to any departure by Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by Borrower, Collateral Agent and the Required Lenders; provided, however that without the prior written consent of the Lender affected thereby, an amendment, waiver, supplement or modification of this Agreement, or any Note or the BIP Warrant or any consent to departure from a term or provision hereof or thereof may not: (A) reduce the rate of or extend the time for payment of principal or interest on the Notes; (B) reduce the principal amount of the Notes; (C) make the Notes payable in money other than that stated in the Notes; (D) reduce the amount or extend the time of payment of fees or other compensation payable to the Lenders hereunder; (E) change any provision of this Section or the definition of “Required Lenders” or any other provision specifying the number or percentage of the Lenders required to amend, waive or otherwise modify any rights hereunder or make any determination or grant any consent hereunder; (F) release all or substantially all of the Collateral, except to the extent such Collateral is sold or to be sold as part of or in connection with any sale permitted hereunder or under any other Loan Document, in which case such release may be made by the Collateral Agent acting alone as provided in Section 9 or (G) amend Section 2.8 hereof. No notice to or demand on Borrower in any case shall entitle Borrower to any other or further notice or demand in similar or other circumstances.

Section 11.9 Headings. Article and Section headings used in this Agreement are for reference only and shall not affect the construction of this Agreement.

Section 11.10 Costs and Expenses; Indemnification.

(a) Borrower agrees to pay all reasonable costs and expenses of Collateral Agent and the Lenders in connection with the preparation, negotiation, execution, delivery, and administration of the Loan Documents, including the fees and disbursements of counsel to Collateral Agent, in connection with (i) the preparation and execution of the Loan Documents and in connection with the transactions contemplated hereby or thereby, (ii) any amendment, waiver or consent related thereto, whether or not the transactions contemplated herein are consummated, (iii) any Change of Control and (iv) any redemption of the Notes or the BIP Warrant, in each case together with any fees and charges suffered or incurred by Collateral Agent and the Lenders in connection with periodic environmental audits, fixed asset appraisals, title insurance policies, collateral filing fees and lien searches. Borrower agrees to pay to Collateral Agent and the Lenders all costs and expenses incurred or paid by Collateral Agent or the Lenders, including attorneys’ fees and disbursements and court costs, in connection with any Default or Event of Default hereunder or in connection with the enforcement of any of the Loan Documents (including all such costs and expenses incurred in connection with any proceeding under the United States Bankruptcy Code involving Borrower or any Subsidiary as a debtor

thereunder). Borrower further agrees to indemnify Collateral Agent and the Lenders, and any security trustee therefor, their respective Affiliates, and each of their respective directors, officers, employees, agents, advisors, and consultants (each such Person being called an "Indemnitee") against all losses, claims, damages, penalties, judgments, liabilities and expenses (including all reasonable fees and disbursements of counsel for any such Indemnitee and all reasonable expenses of litigation or preparation therefor, whether or not the Indemnitee is a party thereto, or any settlement arrangement arising from or relating to any such litigation) which any of them may pay or incur arising out of or relating to any Loan Document or any of the transactions contemplated thereby or the direct or indirect application or proposed application of the proceeds of the Term Loan, other than those which arise from the gross negligence or willful misconduct of the party claiming indemnification as determined by a final, non-appealable judgment by a court of competent jurisdiction. Borrower, upon demand by Collateral Agent at any time, shall reimburse Collateral Agent and the Lenders for any legal or other expenses (including all fees and disbursements of counsel for any such Indemnitee) incurred in connection with investigating or defending against any of the foregoing (including any settlement costs relating to the foregoing) except if the same is directly due to the gross negligence or willful misconduct of the party to be indemnified as determined by a final, non-appealable judgment by a court of competent jurisdiction. To the extent permitted by applicable law, Borrower shall not assert or cause any Subsidiary to assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement or the other Loan Documents or any agreement or instrument contemplated hereby or thereby, the transactions contemplated hereby or thereby, the Term Loan or the use of the proceeds thereof. Borrower for itself and all endorsers, guarantors and sureties and their heirs, legal representatives, successors and assigns, hereby further specifically waives any rights that it may have under Section 1542 of the California Civil Code (to the extent applicable), which provides as follows: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR," and further waives any similar rights under applicable laws.

(b) Borrower unconditionally agrees to forever indemnify, defend and hold harmless, and covenants not to sue for any claim for contribution against, each Indemnitee for any damages, costs, loss or expense, including, response, remedial or removal costs and all fees and disbursements of counsel for any such Indemnitee, arising out of any of the following: (i) any presence, release, threatened release or disposal of any hazardous or toxic substance or petroleum by Borrower or any Subsidiary or otherwise occurring on or with respect to its Property (whether owned or leased), (ii) the operation or violation of any Environmental Law, whether federal, state, or local, and any regulations promulgated thereunder, by Borrower or any Subsidiary or otherwise occurring on or with respect to its Property (whether owned or leased), (iii) any claim for personal injury or property damage in connection with Borrower or any Subsidiary or otherwise occurring on or with respect to its Property (whether owned or leased), and (iv) the inaccuracy or breach of any environmental representation, warranty or covenant by Borrower or any Subsidiary made herein or in any other Loan Document evidencing or securing any Obligations or setting forth terms and conditions applicable thereto or otherwise relating thereto, except for damages, costs, loss or expense arising from the willful misconduct or gross

negligence of the relevant Indemnitee as determined by a final, non-appealable judgment by a court of competent jurisdiction.

Section 11.11 Set off. In addition to any rights now or hereafter granted under the Loan Documents or applicable law and not by way of limitation of any such rights, upon the occurrence of any Event of Default, Collateral Agent, the Lenders and each of their respective affiliates is hereby authorized by Borrower at any time or from time to time, without notice to Borrower, or to any other Person, any such notice being hereby expressly waived to the extent permitted by applicable law, to set off and to appropriate and to apply any and all deposits (general or special, including, but not limited to, indebtedness evidenced by certificates of deposit, whether matured or unmatured, and in whatever currency denominated, but not including trust accounts or any payroll accounts) and any other indebtedness at any time held or owing by Collateral Agent, the Lenders or the applicable affiliate, to or for the credit or the account of Borrower, whether or not matured, against and on account of the Obligations of Borrower to Collateral Agent and the Lenders under the Loan Documents, including, but not limited to, all claims of any nature or description arising out of or connected with the Loan Documents, irrespective of whether or not (a) Collateral Agent or the Lenders shall have made any demand hereunder or (b) the principal of or the interest on the Term Loan and other amounts due hereunder shall have become due and payable pursuant to Section 8 and although said obligations and liabilities, or any of them, may be contingent or unmatured.

Section 11.12 Entire Agreement. The Loan Documents constitute the entire understanding of the parties thereto with respect to the subject matter thereof and any prior agreements, whether written or oral, with respect thereto are superseded hereby.

Section 11.13 Governing Law. This Agreement and the other Loan Documents (except as otherwise specified therein), and any claim, controversy, dispute or cause of action (whether in contract, tort or otherwise) based upon, arising out of or relating to this Agreement or any Loan Document, and the rights and duties of the parties hereto, shall be governed by and construed and determined in accordance with the internal laws of the State of Georgia.

Section 11.14 Severability of Provisions. Any provision of any Loan Document that is unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such unenforceability without invalidating the remaining provisions hereof or affecting the enforceability of such provision in any other jurisdiction. All rights, remedies and powers provided in this Agreement and the other Loan Documents may be exercised only to the extent that the exercise thereof does not violate any applicable mandatory provisions of law, and all the provisions of this Agreement and other Loan Documents are intended to be subject to all applicable mandatory provisions of law which may be controlling and to be limited to the extent necessary so that they will not render this Agreement or the other Loan Documents invalid or unenforceable.

Section 11.15 Excess Interest. Notwithstanding any provision to the contrary contained herein or in any other Loan Document, no such provision shall require the payment or permit the collection of any amount of interest in excess of the maximum amount of interest permitted by applicable law to be charged for the use or detention, or the forbearance in the collection, of all or any portion of the Term Loan or other obligations outstanding under this Agreement or any

other Loan Document (“*Excess Interest*”). If any Excess Interest is provided for, or is adjudicated to be provided for, herein or in any other Loan Document, then in such event (a) the provisions of this Section shall govern and control, (b) neither Borrower nor any guarantor or endorser shall be obligated to pay any Excess Interest, (c) any Excess Interest that the Lenders may have received hereunder shall, at the option of the Required Lenders, be (i) applied as a credit against the then outstanding principal amount of Obligations hereunder and accrued and unpaid interest thereon (not to exceed the maximum amount permitted by applicable law), (ii) refunded to Borrower, or (iii) any combination of the foregoing, (d) the interest rate payable hereunder or under any other Loan Document shall be automatically subject to reduction to the maximum lawful contract rate allowed under applicable usury laws (the “*Maximum Rate*”), and this Agreement and the other Loan Documents shall be deemed to have been, and shall be, reformed and modified to reflect such reduction in the relevant interest rate, and (e) neither Borrower nor any guarantor or endorser shall have any action against Collateral Agent or the Lenders for any damages whatsoever arising out of the payment or collection of any Excess Interest. Notwithstanding the foregoing, if for any period of time interest on any of the Obligations is calculated at the Maximum Rate rather than the applicable rate under this Agreement, and thereafter such applicable rate becomes less than the Maximum Rate, the rate of interest payable on the Obligations shall remain at the Maximum Rate until the Lenders shall have received the amount of interest which the Lenders would have received during such period on the Obligations had the rate of interest not been limited to the Maximum Rate during such period.

Section 11.16 *Construction.* The parties acknowledge and agree that the Loan Documents shall not be construed more favorably in favor of any party hereto based upon which party drafted the same, it being acknowledged that all parties hereto contributed substantially to the negotiation of the Loan Documents. The provisions of this Agreement relating to Subsidiaries shall only apply during such times as Borrower has one or more Subsidiaries. Nothing contained herein shall be deemed or construed to permit any act or omission which is prohibited by the terms of any Collateral Document, the covenants and agreements contained herein being in addition to and not in substitution for the covenants and agreements contained in the Collateral Documents.

Section 11.17 *Submission to Jurisdiction; Waiver of Venue; Service of Process.*

(a) BORROWER IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF GEORGIA SITTING IN FULTON COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE NORTHERN DISTRICT OF GEORGIA, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER

JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT COLLATERAL AGENT OR THE LENDERS MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST BORROWER OR ITS PROPERTY IN THE COURTS OF ANY OTHER JURISDICTION.

(b) BORROWER IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN PARAGRAPH (a) OF THIS SECTION. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(c) EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 11.5. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

Section 11.18 Waiver of Jury Trial. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION. IN THE EVENT ANY SUCH ACTION OR PROCEEDING IS BROUGHT OR FILED IN ANY UNITED STATES FEDERAL COURT SITTING IN THE STATE OF CALIFORNIA OR IN ANY STATE COURT OF THE STATE OF CALIFORNIA, AND THE WAIVER OF JURY TRIAL SET FORTH IN SECTION 11.8 HEREOF IS DETERMINED OR HELD TO BE INEFFECTIVE OR UNENFORCEABLE, THE PARTIES HERETO AGREE THAT ALL ACTIONS OR PROCEEDINGS SHALL BE RESOLVED BY REFERENCE TO A PRIVATE JUDGE SITTING WITHOUT A JURY, PURSUANT TO CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 638, BEFORE A MUTUALLY ACCEPTABLE REFEREE OR, IF THE PARTIES HERETO CANNOT AGREE, A REFEREE SELECTED BY THE PRESIDING JUDGE OF SAN FRANCISCO COUNTY, CALIFORNIA. SUCH PROCEEDING SHALL BE CONDUCTED IN SAN FRANCISCO COUNTY, CALIFORNIA, WITH CALIFORNIA RULES OF EVIDENCE AND DISCOVERY

APPLICABLE TO SUCH PROCEEDING. IN THE EVENT ANY ACTIONS OR PROCEEDINGS ARE TO BE RESOLVED BY JUDICIAL REFERENCE, ANY PARTY MAY SEEK FROM ANY COURT HAVING JURISDICTION THEREOVER ANY PREJUDGMENT ORDER, WRIT OR OTHER RELIEF AND HAVE SUCH PREJUDGMENT ORDER, WRIT OR OTHER RELIEF ENFORCED TO THE FULLEST EXTENT PERMITTED BY LAW NOTWITHSTANDING THAT ALL ACTIONS OR PROCEEDINGS ARE OTHERWISE SUBJECT TO RESOLUTION BY JUDICIAL REFERENCE.

Section 11.19 *Intercreditor Agreement.* Notwithstanding any provision to the contrary in this Agreement, this Agreement, the Liens and security interests granted to the Collateral Agent under the Loan Documents, at law or equity, pursuant to this Agreement (other than with respect to the life insurance required by Section 6.20 hereof), and the exercise of any right or remedy by the Collateral Agent and any Lender hereunder are subject to the provisions of the Senior Lender Intercreditor Agreement. Without limiting the generality of the foregoing, and notwithstanding anything herein to the contrary, all right and remedies of the Collateral Agent and the Lenders shall be subject to the applicable terms of the Senior Lender Intercreditor Agreement, and until the Senior Debt is paid in full, any obligation of any Loan Party hereunder with respect to the delivery or control of any Collateral (other than the life insurance required by Section 6.20 hereof), the notation of any lien on any certificate of title, bill of lading or other document, or the giving of any notice to any bailee shall be deemed to be satisfied if the applicable Loan Party complies with the requirements of the similar provision of the Senior Debt Agreement or the applicable Senior Debt Documents.

Section 11.20 *Time is of the Essence.* Time is of the essence of this Agreement and each of the other Loan Documents.

Section 11.21 *Confidentiality.* Collateral Agent and the Lenders each agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its and its Affiliates' directors, officers, employees and agents, including accountants, legal counsel and other advisors to the extent any such Person has a need to know such Information (it being understood that the Persons to whom such disclosure is made will first be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any suit, action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (A) any assignee of or participant in, or any prospective assignee of or participant in, any of its rights or obligations under this Agreement or (B) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to Borrower or any Subsidiary and its obligations, (g) with the prior written consent of Borrower, (h) to the extent such Information (A) becomes publicly available other than as a result of a breach of this Section or (B) becomes available to Collateral Agent or the Lenders or any of their respective Affiliates on a non-confidential basis from a source other than Borrower or any Subsidiary or any of their directors, officers, employees or agents, including accountants, legal counsel and other advisors, or (i) to rating

agencies if requested or required by such agencies in connection with a rating relating to the Term Loan; *provided* that only basic information about the pricing and structure of the transaction evidenced hereby may be disclosed pursuant to this subsection (i). For purposes of this Section, "Information" means all information received from Borrower or any of the Subsidiaries or from any other Person on behalf of Borrower or any Subsidiary relating to Borrower or any Subsidiary or any of their respective businesses, other than any such information that is available to Collateral Agent or the Lenders on a non-confidential basis prior to disclosure by Borrower or any of its Subsidiaries or from any other Person on behalf of Borrower or any of the Subsidiaries; *provided* that, in the case of information received from Borrower or any Subsidiary, or on behalf of Borrower or any Subsidiary, after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

Section 11.22 Further Assurances. Each of the parties shall execute such documents and perform such further acts (including, without limitation, obtaining any consents, exemptions, authorizations, or other actions by, or giving any notices to, or making any filings with, any Governmental Authority or any other Person) as may be reasonably required or desirable to carry out or to perform the provisions of this Agreement, including without limitation, any post-closing assignment(s) by any Lender of the Notes or the BIP Warrant to a Person not currently a party hereto, subject to the limitations set forth herein.

[Signature Pages to Follow]

This Senior Subordinated Credit Agreement is entered into between us for the uses and purposes hereinabove set forth as of the date first above written.

“Borrower”

QUADRANT 4 SYSTEM CORPORATION

By: /s/ Nandu Thondavadi

Name: Nandu Thondavadi

Title: President and Chief Executive Officer

[Senior Subordinated Credit Agreement]

“Collateral Agent”

BIP LENDER, LLC

By: /s/ Mark Buffington

Name: Mark Buffington

Title: Manager

“Lender”

BIP QUADRANT 4 DEBT FUND I, LLC

By: /s/ Mark Buffington

Name: Mark Buffington

Title: Manager

[Senior Subordinated Credit Agreement]

Exhibit A
BIP Warrant
(see attached)

Exhibit B

Term Note

(see attached)

Exhibit C

Quadrant 4 System Corporation

Compliance Certificate

To: BIP LENDER, LLC

This Compliance Certificate is furnished to BIP Lender, LLC (“*Collateral Agent*”) pursuant to that certain Senior Subordinated Credit Agreement dated as of November 3, 2016, by and among Quadrant 4 System Corporation, Collateral Agent and BIP Quadrant 4 Debt Fund I, LLC (the “*Credit Agreement*”). Unless otherwise defined herein, the terms used in this Compliance Certificate have the meanings ascribed thereto in the Credit Agreement.

THE UNDERSIGNED HEREBY CERTIFIES, THAT:

1. I am the duly elected _____ of Borrower;
2. I have reviewed the terms of the Credit Agreement and I have made, or have caused to be made under my supervision, a detailed review of the transactions and conditions of Borrower and its Subsidiaries during the accounting period covered by the attached financial statements;
3. The examinations described in paragraph 2 did not disclose, and I have no knowledge of, the existence of any condition or the occurrence of any event which constitutes a Default or Event of Default during or at the end of the accounting period covered by the attached financial statements or as of the date of this Certificate, except as set forth below;
4. The financial statements required by Section 6.5 of the Credit Agreement and being furnished to you concurrently with this certificate are, to the best of my knowledge, true, correct and complete as of the dates and for the periods covered thereby; and
5. The Attachment hereto sets forth financial data and computations evidencing Borrower’s compliance with certain covenants of the Credit Agreement, all of which data and computations are, to the best of my knowledge, true, complete and correct and have been made in accordance with the relevant Sections of the Credit Agreement.

Described below are the exceptions, if any, to paragraph 3 by listing, in detail, the nature of the condition or event, the period during which it has existed and the action which Borrower has taken, is taking, or proposes to take with respect to each such condition or event:

The foregoing certifications, together with the computations set forth in the Attachment hereto and the financial statements delivered with this Certificate in support hereof, are made and delivered this _____ day of _____, ____.

QUADRANT 4 SYSTEM CORPORATION

By _____
Name _____
Title _____

**Schedule I
to Compliance Certificate**

Quadrant 4 System Corporation

**Compliance Calculations
for Senior Subordinated Credit Agreement dated as of November 3, 2016**

Calculations as of _____, _____

A. Total Funded Debt/EBITDA Ratio (Section 7.12(a))

1.	Total Funded Debt	\$ _____
2.	Net Income for past 4 quarters	_____
3.	Interest Expense for past 4 quarters	_____
4.	Income taxes for past 4 quarters	_____
5.	Depreciation and Amortization Expense for past 4 quarters	_____
6.	Add-Backs Specified in the definition of EBITDA	_____
7.	Sum of Lines A2, A3, A4, A5 and A6 (" <i>EBITDA</i> ")	_____
8.	Ratio of Line A1 to A7	_____:1.0
9.	Line A8 ratio must not exceed	3.45:1.0
10.	Borrower is in compliance (circle yes or no)	yes/no

B. Fixed Charge Coverage Ratio (Section 7.12(b))

1.	Sum of lines A2, A3, A4, A5, and A6 (" <i>EBITDA</i> ")	\$ _____
2.	Unfinanced Capital Expenditures for past 4 quarters	\$ _____
3.	Unfinanced Software Development Costs for past 4 quarters	\$ _____
4.	Lines B1 minus the sum of B2 and B3 (" <i>EBITDA</i> ")	\$ _____
5.	Principal payments due within next 4 quarters, including anticipated Earn Out Obligations that could become due within the next 4 quarters	\$ _____
6.	Interest Expense for past 4 quarters (or as annualized)	\$ _____
7.	Income taxes for past 4 quarters	\$ _____
8.	Distributions for past 4 quarters	\$ _____
9.	Sum of Lines B5, B6, B7 and B8	\$ _____

- | | | |
|-----|--|------------|
| 10. | Ratio of Line B4 to Line B9 | _____ :1.0 |
| 11. | Line B10 ratio must not be less than | 1.0:1.0 |
| 12. | Borrower is in compliance (circle yes or no) | yes/no |
| C. | <u>Software Development Costs (Section 7.12(c))</u> | |
| 1. | Software Development Costs to date for the applicable twelve (12) month period | \$ _____ |
| 2. | Maximum permitted amount | \$ _____ |
| 3. | Borrower is in compliance (circle yes or no) | yes/no |
| D. | <u>Operating Leases (Section 7.12(d))</u> | |
| 1. | Year-to-date Operating Leases | \$ _____ |
| 2. | Maximum permitted amount | \$ _____ |
| 3. | Borrower is in compliance (circle yes or no) | yes/no |

Schedule 5.2

Subsidiaries

Name	Jurisdiction of Organization	Percentage Ownership	Owner
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

STOCK PURCHASE AGREEMENT
BY AND AMONG
STRATITUDE, INC.,
THE SHAREHOLDERS OF STRATITUDE, INC.,
AND
QUADRANT 4 SYSTEM CORPORATION

DATED AS OF NOVEMBER 3, 2016

TABLE OF CONTENTS

	Page
ARTICLE I PURCHASE AND SALE OF THE SHARES	1
1.1. The Purchase and Sale of the Shares	1
1.2. Purchase Price	1
1.3. Closing Statement; Closing Payments	1
1.4. Final Closing Statement; Post-Closing Adjustments	2
1.5. Earnout	3
1.6. Withholding; Deductions	5
ARTICLE II CLOSING AND TERMINATION	5
2.1. Closing	5
2.2. Termination	5
2.3. Procedure Upon Termination	6
2.4. Effect of Termination	6
ARTICLE III REPRESENTATIONS AND WARRANTIES OF THE COMPANY	6
3.1. Organization and Qualification of the Company	6
3.2. Organization and Qualification of the Subsidiaries	7
3.3. Capitalization	7
3.4. Authority	8
3.5. No Conflict	8
3.6. Consents	8
3.7. Financial Statements	9
3.8. No Undisclosed Liabilities	9
3.9. Absence of Certain Changes	10
3.10. Title to Assets and Properties; Equipment and Other Tangible Properties	10
3.11. Owned and Leased Real Property	10
3.12. Intellectual Property	11
3.13. Contracts	12
3.14. Litigation	13
3.15. Compliance with Laws	14
3.16. Permits and Authorizations	14
3.17. Insurance	15
3.18. Environmental Matters	15
3.19. Employment Matters	16
3.20. Employee Benefit Plans	18
3.21. Tax Matters	19
3.22. Interested Party Transactions	21
3.23. Absence of Certain Practices	21
3.24. Bank Accounts	22
3.25. Brokers' and Finders' Fees	22
3.26. Customers and Suppliers	22
3.27. Export Compliance	22
3.28. Disclosure	23
ARTICLE IV REPRESENTATIONS AND WARRANTIES OF THE SELLERS	23
4.1. Organization of the Sellers	23
4.2. Authority	23
4.3. No Conflict	23
4.4. Consents	23

4.5. No Legal Actions	24
4.6. Title to the Shares	24
4.7. Investment Intent	24
ARTICLE V REPRESENTATIONS AND WARRANTIES OF THE PURCHASER	26
5.1. Organization of the Purchaser	26
5.2. Authority	26
5.3. No Conflict	26
5.4. Consents	26
5.5. No Legal Actions	26
5.6. Investment Intention	27
5.7. Brokers' and Finders' Fees	27
5.8. Purchaser Shares	27
5.9. No Representations	27
ARTICLE VI COVENANTS	27
6.1. Access to Information	27
6.2. No Solicitation	28
6.3. Conduct of the Business Prior to Closing	28
6.4. Regulatory Approvals	29
6.5. Required Consents	29
6.6. Notice of Certain Events	29
6.7. Release of Liens	30
6.8. Employee Benefit Plans	30
6.9. Termination of Contracts	30
6.10.[Intentionally Deleted]	30
6.11.Indemnification of Officers and Directors	30
6.12.Satisfaction of Conditions Precedent	31
6.13.Preservation of Records	31
6.14.Cooperation with Financing	31
6.15.Asset Purchase Agreement	31
6.16.Restrictions on Agama's Sale or Dissolution	31
ARTICLE VII CONDITIONS PRECEDENT TO THE CLOSING	32
7.1. Conditions to the Obligations of the Purchaser	32
7.2. Conditions to the Obligations of the Sellers	33
ARTICLE VIII INDEMNIFICATION	34
8.1. Survival of the Representations and Warranties	34
8.2. Indemnification	35
8.3. Limitations on Liability	36
8.4. Defense of Third Party Claims	36
8.5. Indemnification Claims Procedure	37
8.6. No Contribution	38
8.7. Right of Setoff	38
8.8. Exercise of Remedies Other Than by the Purchaser	39
8.9. Purchase Price Adjustment	39
ARTICLE IX TAX MATTERS	39
9.1. Taxes and Tax Refunds for Pre-Closing Tax Periods	39
9.2. Allocation of Straddle Period Taxes	40
9.3. Tax Returns	40
9.4. Tax Contests	41

9.5. Assistance and Cooperation	42
9.6. Transfer Taxes	42
9.7. Treatment of Payments	42
ARTICLE X DEFINITIONS; CONSTRUCTION	42
10.1. Definitions	42
10.2. Construction	54
ARTICLE XI GENERAL PROVISIONS	55
11.1. Expenses	55
11.2. Public Announcements	55
11.3. Notices	55
11.4. Entire Agreement	56
11.5. Severability	56
11.6. Specific Performance	56
11.7. Successors and Assigns; Assignment; Parties in Interest	57
11.8. Amendment; Waiver	57
11.9. Governing Law; Venue	57
11.10. Waiver of Jury Trial	57
11.11. Other Remedies	58
11.12. Counterparts; Electronic Delivery	59
11.13. Time is of the Essence	59
11.14. Confidentiality	59
11.15. Liability of Affiliates of the Purchaser or the Sellers	59
11.16. Sellers' Representative	60
11.17. Release	60
11.18. Effective Time	62

EXHIBITS

Exhibit A – List of Sellers
Exhibit B – Earnout Consideration
Exhibit C – Share Consideration
Exhibit D – Calculation of EBITDA
Exhibit E – Form of Subscription Agreement

STOCK PURCHASE AGREEMENT

This Stock Purchase Agreement, dated as of November 3, 2016 (this “Agreement”), is entered into by and among Quadrant 4 System Corporation, an Illinois corporation (the “Purchaser”), Stratitute, Inc., a California corporation (the “Company”), and all of the shareholders of the Company listed on Exhibit A attached hereto (each referred to herein as a “Seller,” and collectively referred to herein as the “Sellers”). Unless the context otherwise makes clear, capitalized terms used in this Agreement are defined in Article X.

RECITALS

WHEREAS, the Sellers own of all of the issued and outstanding shares of capital stock of the Company (the “Shares”);

WHEREAS, as an inducement for the Purchaser to enter into this Agreement, concurrently with the execution and delivery hereof, each Seller is entering into Non-Competition and Non-Solicitation Agreements in favor of the Purchaser, which shall become effective at the Closing; and

WHEREAS, the Sellers desire to sell to the Purchaser, and the Purchaser desires to purchase from the Sellers, the Shares upon the terms and conditions hereinafter set forth.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and of the mutual representations, warranties and agreements contained herein, the Parties hereby agree as follows:

ARTICLE I PURCHASE AND SALE OF THE SHARES

1.1. The Purchase and Sale of the Shares. Upon the terms and subject to the conditions contained herein, at the Closing, each Seller hereby agrees to sell to the Purchaser the Shares as held by such Seller as reflected on Exhibit A, and the Purchaser hereby agrees to purchase the Shares from the Sellers.

1.2. Purchase Price. The aggregate purchase price for the Shares is an amount equal to the Final Cash Amount *plus* the Share Consideration Amount *plus* the Earnout Consideration, if any, in each case as determined in accordance with the terms and conditions of this Agreement.

1.3. Closing Statement; Closing Payments.

(a) Within three (3) Business Days prior to the anticipated Closing Date, the Company shall deliver to the Purchaser a statement (the “Closing Statement”) executed by the Company setting forth:

(i) the Company’s good faith estimate of (A) the Closing Net Current Assets (the “Estimated Closing Net Current Assets”), (B) the Closing Debt (the “Estimated Closing Debt”) and (C) the Unpaid Transaction Expenses (the “Estimated Unpaid Transaction Expenses”), which Closing Statement quantifies in reasonable detail the items constituting such Estimated Closing Net Current Assets, Estimated Closing Debt and Estimated Unpaid Transaction Expenses, in each case calculated in accordance with the terms and provisions of this Agreement; and

(ii) on the basis of the foregoing, a calculation of the Estimated Cash Amount.

All such estimates shall control solely for purposes of determining the amounts payable at the Closing pursuant to Sections 1.3(b)(i), 1.3(b)(ii), and 1.3(b)(iii) and shall not limit or otherwise affect the Purchaser’s remedies

under this Agreement or otherwise, or constitute an acknowledgement by the Purchaser of the accuracy of the amounts reflected thereof.

(b) At the Closing, the Purchaser shall make or cause to be made the following payments by wire transfer of immediately available funds:

(i) On the Company's or one or more of its Subsidiaries' behalf, to the holders of the Closing Debt, the amount necessary to repay in full all such Closing Debt as set forth in the Payoff Letters delivered by the Company to the Purchaser within three (3) Business Days prior to the Closing Date, such payments to be remitted to the accounts and in the amounts specified in such Payoff Letters;

(ii) On the Company's or one or more of its Subsidiaries' behalf, the amount necessary to pay the Unpaid Transaction Expenses, such payments to be remitted to the accounts and in the amounts specified by the Company in the Closing Statement; and

(iii) To each Seller, an amount equal to the product of (A) such Seller's Equity Ownership Percentage multiplied by (B) the Estimated Cash Amount, such payments to be remitted to the accounts designated by the Sellers in the Closing Statement.

1.4. Final Closing Statement; Post-Closing Adjustments.

(a) Within ninety (90) days after the Closing Date, the Purchaser shall prepare and deliver to the Sellers' Representative a statement (the "Final Closing Statement") executed by the Purchaser setting forth (i) the Purchaser's determination of the Closing Net Current Assets, Closing Debt and Unpaid Transaction Expenses, which Final Closing Statement shall quantify in reasonable detail the items constituting such Closing Net Current Assets, Closing Debt and Unpaid Transaction Expenses reflected in the Final Closing Statement, and in each case calculated in accordance with the terms and provisions of this Agreement, and (ii) on the basis of the foregoing, a calculation of the Final Cash Amount.

(b) The Final Closing Statement and the calculation of the Final Cash Amount set forth therein shall be final and binding on the Parties unless the Sellers' Representative delivers to the Purchaser, within sixty (60) days following the Sellers' Representative's receipt of the Final Closing Statement (the "Objection Period"), a written notice (the "Objection Notice") advising the Purchaser that the Sellers dispute the Purchaser's calculations set forth in the Final Closing Statement. Such Objection Notice shall describe the nature of any such disagreement in reasonable detail, identifying the specific items as to which the Sellers disagree and shall be accompanied by reasonable supporting documentation. During the Objection Period, the Purchaser shall cause the Company and its Subsidiaries to provide the Sellers' Representative with reasonable access (including on-site access and electronic access to the extent available) during regular business hours and upon reasonable notice to all relevant books and records and employees (including key accounting and finance personnel) of the Company and its Subsidiaries to the extent reasonably necessary to review the matters and information used to prepare and to support the Final Closing Statement, all in a manner not unreasonably interfering with the business of the Company and its Subsidiaries. All fees, costs and expenses of the Sellers' Representative and of the Sellers relating to the review of the Final Closing Statement shall be borne by the Sellers, and all fees, costs and expenses of the Purchaser or the Company relating thereto shall be borne by the Purchaser. If the Sellers' Representative timely deliver an Objection Notice during the Objection Period pursuant to this Section 1.4(b), then the Sellers' Representative and the Purchaser shall attempt in good faith to resolve all such matters identified in such Objection Notice. If the Sellers' Representative and the Purchaser are unable to resolve all such disagreements within thirty (30) days after the receipt by the Purchaser of the Objection Notice (or such longer period as may be agreed in writing by the Purchaser and the Sellers' Representative), then the remaining disputed matters (the "Disputed Matters") shall be promptly submitted to the Accounting Arbitrator for binding resolution. The Accounting Arbitrator will consider only the Disputed Matters and shall resolve such Disputed Matters in accordance with the terms and provisions of this Agreement. The Accounting Arbitrator shall issue a written report setting forth its determination with respect

to the Disputed Matters and the Final Cash Amount, which determination shall be final and binding upon the Parties. The fees and expenses of the Accounting Arbitrator incurred in connection with the determination of the Disputed Matters and the Final Cash Amount shall be paid by the Purchaser and by the Sellers based on the relative success of their positions as compared to the final determination of the Accounting Arbitrator. By way of example, if the Purchaser has taken the position that the Final Cash Amount was \$1,000,000 less than the Estimated Cash Amount and the Sellers have taken the position that the Final Cash Amount was \$500,000 greater than the Estimated Cash Amount, and the Accounting Arbitrator finally determines that the Final Cash Amount was equal to the Estimated Cash Amount, then the Purchaser shall pay two thirds of the fees and expenses of the Accounting Arbitrator and the Sellers shall pay one third of the fees and expenses of the Accounting Arbitrator. The Purchaser and the Sellers shall, and the Purchaser shall cause the Company and its Subsidiaries to, cooperate fully with the Accounting Arbitrator and respond on a timely basis to all reasonable requests for information or access to documents or personnel made by the Accounting Arbitrator, all with the intent to fairly and in good faith resolve the Disputed Matters as promptly as reasonably practicable.

(c) If the Final Cash Amount, as finally determined in accordance with Section 1.4(b), is less than the Estimated Cash Amount, then the Sellers shall jointly and severally pay to the Purchaser the amount of such difference by wire transfer of immediately available funds within five (5) Business Days after the final determination of such Final Cash Amount.

(d) If the Final Cash Amount, as finally determined in accordance with Section 1.4(b), is greater than the Estimated Cash Amount, then the Purchaser shall pay or cause to be paid to the Sellers (in accordance with their respective Equity Ownership Percentages and the payment instructions provided by the Sellers) the amount of such difference by wire transfer of immediately available funds within five (5) Business Days after the final determination of such Final Cash Amount.

1.5. Earnout.

(a) Subject to the terms and conditions of this Section 1.5, the Sellers shall be entitled to additional consideration for the Shares if the Purchaser meets certain EBITDA targets as set forth below:

(i) For the 2017 Earnout Period, the Purchaser shall pay to the Sellers the amount of the Guaranteed Earnout as set forth on Exhibit B for the 2017 Earnout Period; provided, however, if the actual EBITDA amount of the Company during the 2017 Earnout Period is equal to or greater than the EBITDA Floor (as set forth on Exhibit B for the 2017 Earnout Period), then the Purchasers shall pay to the Sellers' Representative (on behalf of the Sellers) an amount equal to the sum of (x) the amount of the Guaranteed Earnout (as set forth on Exhibit B for the 2017 Earnout Period) *plus* (y) the amount of the Variable Earnout (as set forth on Exhibit B for the 2017 Earnout Period); provided, further, that if the actual EBITDA of the Company for the 2017 Earnout Period is equal to or greater than the Target EBITDA (as set forth on Exhibit B for the 2017 Earnout Period), then the Purchaser shall pay to the Sellers' Representative (on behalf of the Sellers) an amount equal to the sum of (x) the amount of the Guaranteed Earnout (as set forth on Exhibit B for the 2017 Earnout Period) *plus* (y) the amount of the Variable Earnout (as set forth on Exhibit B for the 2017 Earnout Period), *plus* (z) 60% of the amount in excess of the Target EBITDA (as set forth on Exhibit B for the 2017 Earnout Period).

(ii) For the 2018 Earnout Period, the Purchaser shall pay to the Sellers the amount of the Guaranteed Earnout as set forth on Exhibit B for the 2018 Earnout Period; provided, however, if the actual EBITDA amount of the Company during the 2018 Earnout Period is equal to or greater than the EBITDA Floor (as set forth on Exhibit B for the 2018 Earnout Period), then the Purchasers shall pay to the Sellers' Representative (on behalf of the Sellers) an amount equal to the sum of (x) the amount of the Guaranteed Earnout (as set forth on Exhibit B for the 2018 Earnout Period) *plus* (y) the amount of the Variable Earnout (as set forth on Exhibit B for the 2018 Earnout Period); provided, further, that if the actual EBITDA of the Company for the 2018 Earnout Period is equal to or greater than the Target EBITDA (as set forth on Exhibit B for the 2018 Earnout Period), then the Purchaser shall pay to the Sellers' Representative (on behalf

of the Sellers) an amount equal to the sum of (x) the amount of the Guaranteed Earnout (as set forth on Exhibit B for the 2018 Earnout Period) *plus* (y) the amount of the Variable Earnout (as set forth on Exhibit B for the 2018 Earnout Period), *plus* (z) 60% of the amount in excess of the Target EBITDA (as set forth on Exhibit B for the 2018 Earnout Period).

(iii) For the 2019 Earnout Period, the Purchaser shall pay to the Sellers the amount of the Guaranteed Earnout as set forth on Exhibit B for the 2019 Earnout Period; provided, however, if the actual EBITDA amount of the Company during the 2019 Earnout Period is equal to or greater than the EBITDA Floor (as set forth on Exhibit B for the 2019 Earnout Period), then the Purchasers shall pay to the Sellers' Representative (on behalf of the Sellers) an amount equal to the sum of (x) the amount of the Guaranteed Earnout (as set forth on Exhibit B for the 2019 Earnout Period) *plus* (y) the amount of the Variable Earnout (as set forth on Exhibit B for the 2019 Earnout Period); provided, further, that if the actual EBITDA of the Company for the 2019 Earnout Period is equal to or greater than the Target EBITDA (as set forth on Exhibit B for the 2019 Earnout Period), then the Purchaser shall pay to the Sellers' Representative (on behalf of the Sellers) an amount equal to the sum of (x) the amount of the Guaranteed Earnout (as set forth on Exhibit B for the 2019 Earnout Period) *plus* (y) the amount of the Variable Earnout (as set forth on Exhibit B for the 2019 Earnout Period), *plus* (z) 60% of the amount in excess of the Target EBITDA (as set forth on Exhibit B for the 2019 Earnout Period).

(b) All payments due and payable by the Purchaser to the Sellers pursuant to this Section 1.5 shall be paid to the Sellers' Representative (on behalf of the Sellers) by wire transfer within ninety (90) days after the end of the 2017 Earnout Period, 2018 Earnout Period and 2019 Earnout Period, respectively. The Sellers' Representative shall distribute to each Seller an amount of any received Earnout Consideration equal to the product of (A) such Seller's Equity Ownership Percentage multiplied by (B) the Earnout Consideration received from the Purchaser.

(c) The obligations of the Purchaser pursuant to this Section 1.5 are subject to (i) that certain Subordination Agreements dated as of the date hereof by and among the Company, the Purchaser, the Sellers, and each of the Lenders, respectively (the "Subordination Agreements") and (ii) the Purchaser's right of set off pursuant to Section 8.7 hereof in order to secure the Sellers' indemnification obligations under Article VIII (Indemnification).

(d) Notwithstanding anything to the contrary contained herein, no Seller shall be entitled to any Earnout Consideration for any upcoming Earnout Period (and the Purchaser shall have no obligation to pay any such Earnout Consideration) pursuant to this Section 1.5 if both Employee Shareholders' employment or consulting relationships with the Company are terminated (i) by the Purchaser for Cause or (ii) by such Seller without Good Reason; provided, however, that upon the termination of both Employee Shareholders, Ashish Sanan shall enter into an employment arrangement with the Company on terms no less favorable than the employment terms of each Employee Shareholder immediately prior to such Employee Shareholder's termination in order to maintain the Sellers' rights to the Earnout Consideration; provided, further, that, upon a Change in Control, the Earnout Consideration shall accelerate in accordance with the terms and conditions of Section 1.5(f). For the avoidance of doubt, any Seller whose employment or consulting arrangement with the Company is terminated shall still be entitled to Earnout Consideration so long as any of the Sellers are still in an employment or consulting relationship with the Company at the time such Earnout Consideration is payable in accordance with this Section 1.5.

(e) Sellers and Purchaser shall mutually agree on a business plan for the Company through the Fiscal Year-Ended 2019 (the "Business Plan") to be implemented by the Purchaser and Sellers (as employees of Purchaser).

(f) Subject to the continued employment or consulting relationship of at least one (1) Seller as set forth in Section 1.5(d), upon a Change in Control the Earnout Consideration shall accelerate as follows:

(i) if the Change in Control occurs on or prior to the end of the 2017 Earnout Period, the Earnout Consideration due and payable upon the consummation of the Change in Control transaction shall equal \$1,791,204;

(ii) if the Change in Control occurs after the end of the 2017 Earnout Period and on or prior to the end of the 2018 Earnout Period, the Earnout Consideration due and payable upon the consummation of the Change in Control transaction shall equal \$1,337,996 in addition to the Earnout Consideration already paid for the 2017 Earnout Period; and

(iii) if the Change in Control occurs after the end of the 2018 Earnout Period and on or prior to the end of the 2019 Earnout Period, the Earnout Consideration due and payable upon the consummation of the Change in Control transaction shall equal \$736,364 in addition to the Earnout Consideration paid for the 2017 and 2018 Earnout Periods.

1.6. Withholding; Deductions. Each of the Purchaser and the Company, as applicable, shall be entitled to deduct and withhold from any amounts payable by it pursuant to this Agreement any withholding Taxes or other amounts required by Law to be deducted and withheld. To the extent that any such amounts are so deducted or withheld, such amounts will be treated for all purposes of this Agreement as having been paid prior to the Closing to the Person in respect of which such deduction and withholding was made.

ARTICLE II CLOSING AND TERMINATION

2.1. Closing. The closing of the transactions contemplated hereby (the “Closing”) shall take place via the electronic exchange of signature pages between the Parties concurrently with the execution and delivery of this Agreement on the date of this Agreement (the “Closing Date”). The transfers and deliveries occurring at the Closing are mutually interdependent and shall be regarded as occurring simultaneously, and, notwithstanding any other provision of this Agreement, no such transfer or delivery shall become effective or shall be deemed to have occurred until all of the other transfers and deliveries to occur at the Closing shall have also occurred or been waived in writing by the Party entitled to waive the same. Such transfers and deliveries shall be deemed to have occurred, and the Closing shall be effective, as of 10:00 a.m., Pacific time, on the Closing Date.

2.2. Termination. This Agreement may be terminated prior to the Closing as follows:

(a) At the election of the Sellers’ Representative (on behalf of the Sellers) or the Purchaser on or after December 31, 2016, if the Closing shall not have occurred by the close of business on such date, provided that the terminating party is not in material default of any of its obligations hereunder;

(b) by mutual written consent of the Purchaser and the Sellers’ Representative (on behalf of the Sellers);

(c) by the Sellers’ Representative (on behalf of the Sellers) or the Purchaser if there shall be in effect a final nonappealable Judgment of a Governmental Entity of competent jurisdiction restraining, enjoining or otherwise prohibiting the consummation of the transactions contemplated hereby;

(d) by the Purchaser if there shall have been a material breach of any representation, warranty, covenant or agreement of the Sellers set forth in this Agreement, which breach would give rise to a failure of a condition set forth in Sections 7.1(a) or 7.1(b) and is incapable of being cured or, if capable of being cured, shall not have been cured within thirty (30) days following the date of the notice of such breach from the Purchaser to the Sellers’ Representative; or

(e) by the Sellers' Representative (on behalf of the Sellers) if there shall have been a material breach of any representation, warranty, covenant or agreement of the Purchaser set forth in this Agreement, which breach would give rise to a failure of a condition set forth in Sections 7.2(a) or 7.2(b) and is incapable of being cured or, if capable of being cured, shall not have been cured within thirty (30) days following receipt by the Purchaser of notice of such breach from the Sellers' Representative.

2.3. Procedure Upon Termination. In the event of termination and abandonment by the Purchaser or the Sellers' Representative (on behalf of the Sellers), or both, pursuant to Section 2.2 hereof, written notice thereof shall forthwith be given to the other party or parties, and this Agreement shall terminate, and the transactions contemplated by this Agreement shall be abandoned, without further action by the Purchaser, the Sellers, the Company or the Sellers' Representative.

2.4. Effect of Termination. In the event that this Agreement is validly terminated as provided herein, then each of the parties shall be relieved of their duties and obligations arising under this Agreement after the date of such termination and such termination shall be without liability to the Purchaser, the Sellers, the Sellers' Representative or the Company; provided, however, that (i) the obligations of the parties set forth in this Section 2.4 and Article XI (General Provisions) hereof shall survive any such termination and shall be enforceable hereunder and (ii) nothing in this Section 2.4 shall relieve the Purchaser, the Sellers, the Sellers' Representative or the Company of any liability for a breach of this Agreement prior to the effective date of termination.

ARTICLE III REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Subject to such exceptions as are disclosed in the disclosure letter dated the date of this Agreement and delivered herewith to the Purchaser (the "Disclosure Letter") referencing the appropriate Section or subsection of this Article III (or as may be otherwise readily apparent on the face of the Disclosure Letter as responsive to any other Section of this Article III), the Company hereby represents and warrants to the Purchaser as of the date of this Agreement as follows (for the avoidance of doubt, for purposes of this Agreement, the assets and liabilities acquired by the Company pursuant to the terms of the Asset Purchase Agreement shall be included as assets and liabilities of the Company in all respects):

3.1. Organization and Qualification of the Company.

(a) The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of California. The Company has all requisite corporate power and authority to own, lease, and operate its properties and to carry on its business. Section 3.1 of the Disclosure Letter sets forth, as of the date of this Agreement, each jurisdiction where the Company is duly qualified to do business as a foreign corporation. The Company is duly qualified or licensed to do business and is in good standing as a foreign corporation in each jurisdiction in which the conduct of its business or the ownership, leasing, holding or use of its properties makes such qualification necessary, except such jurisdictions where the failure to be so qualified or licensed or in good standing would not, individually or in the aggregate, have a Material Adverse Effect.

(b) The Company has made available to the Purchaser a correct and complete copy of the Company's Constitutional Documents, each as amended and in effect as of the date hereof. The Company's Constitutional Documents are in full force and effect and the Company is not in violation of any provision of its Constitutional Documents. The stock and minute books of the Company made available to the Purchaser for review are correct and complete, no further entries have been made through the date of this Agreement, and such stock and minute books contain an accurate record of all material corporate actions of the Board of Directors (and any committees thereof) and shareholders of the Company taken by written consent or at a meeting.

3.2. Organization and Qualification of the Subsidiaries.

(a) Except for the Persons listed in Section 3.2(a) of the Disclosure Letter, the Company does not own or control, and has never owned or controlled, directly or indirectly, any equity or similar interest in, or any interest convertible into or exchangeable or exercisable for any equity or similar interest in, any corporation, partnership, joint venture, other business entity or Person. The Company does not have, and has never had, any commitment or obligation to invest in, purchase any securities or obligations of, fund, guarantee, contribute or maintain the capital of, or otherwise financially support any corporation, partnership, limited liability company, joint venture or other business entity.

(b) Section 3.2(b) of the Disclosure Letter sets forth, as of the date of this Agreement, the name of each Subsidiary of the Company and, with respect to each such Subsidiary of the Company, the type of entity and the jurisdiction in which it is incorporated or organized. Each Subsidiary of the Company is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or organization. Each Subsidiary of the Company has all requisite corporate power and authority to own, lease, and operate its properties and to carry on its business. Each Subsidiary of the Company is duly qualified or licensed to do business and is in good standing as a foreign corporation in each jurisdiction in which the conduct of its business or the ownership, leasing, holding or use of its properties makes such qualification necessary, except such jurisdictions where the failure to be so qualified or licensed or in good standing would not, individually or in the aggregate, have a Material Adverse Effect. Section 3.2(b) of the Disclosure Letter lists each jurisdiction where each Subsidiary of the Company is duly qualified to do business as a foreign corporation.

(c) The Company has made available to the Purchaser a correct and complete copy of each of its Subsidiaries' Constitutional Documents, each as amended and in effect as of the date hereof. The Constitutional Documents of each Subsidiary of the Company are in full force and effect and no Subsidiary of the Company is in violation of any provision of its Constitutional Documents. The stock and minute books of each Subsidiary of the Company made available to the Purchaser for review are correct and complete, no further entries have been made through the date of this Agreement, and such stock and minute books contain an accurate record of all material actions of the Board of Directors (and any committees thereof) and shareholders (or other governing body) of each Subsidiary of the Company taken by written consent or at a meeting.

3.3. Capitalization.

(a) Section 3.3(a) of the Disclosure Letter lists (i) the authorized Equity Securities of the Company and each of its Subsidiaries, (ii) the number and kind of Equity Securities of the Company that are issued and outstanding as of the date of this Agreement and the shareholders of record thereof, and (iii) the number and kind of Equity Securities of each of the Company's Subsidiaries that are issued and outstanding as of the date of this Agreement and the equity holders of record thereof. All of the outstanding Equity Securities of the Company and each of its Subsidiaries are duly authorized, validly issued, fully paid and non-assessable and were not issued in violation of any purchase option, call option, right of first refusal, preemptive right, subscription right or any similar right under any of the Constitutional Documents of the Company or any of its Subsidiaries, as applicable, or any Contract to which the Company or any Subsidiary is or was a party to. Except as set forth in Section 3.3(a) of the Disclosure Letter and except for the rights granted to the Purchaser under this Agreement, there are no outstanding options, warrants, calls, demands, stock appreciation rights, Contracts, rights of first refusal, preemptive rights, subscription rights or other rights of any nature to purchase, obtain or acquire, obligating the Company or any of its Subsidiaries to repurchase or redeem, or otherwise relating to, or any outstanding securities or obligations convertible into or exchangeable for, or any voting agreements with respect to, any Equity Securities of the Company or any of its Subsidiaries. Immediately prior to the Closing, the Company will not have any outstanding Equity Securities other than the Shares as set forth in Section 3.3(a) of the Disclosure Letter. All of the outstanding Equity Securities of the Company and its Subsidiaries have been issued in compliance with all requirements of Laws and Contracts applicable to the

Company and the Subsidiaries and their respective Equity Securities. To the Company's Knowledge, all of the outstanding Equity Securities of the Company are owned by the Sellers free and clear of any and all Liens of any kind whatsoever. No Equity Securities are held by the Company or any of its Subsidiaries as treasury stock.

(b) The Company has not adopted, sponsored or maintained any stock option plan or any other plan or agreement providing for equity-related compensation to any Person (whether payable in shares, cash or otherwise) and there are no outstanding or authorized stock appreciation, phantom stock, profit participation or other similar rights with respect to the Company (whether payable in shares, cash or otherwise).

3.4. Authority. The Company has all requisite corporate power and authority to execute and deliver this Agreement and the Ancillary Agreements executed and delivered or to be executed and delivered by the Company in connection with the transactions provided for hereby, to perform all of its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by the Company of this Agreement and the Ancillary Agreements, the performance by each of the Company of all of its obligations hereunder and thereunder and the consummation by the Company of the transactions contemplated hereby and thereby have been duly authorized by all necessary and proper corporate action on its part, and no additional corporate proceedings or actions on the part of the Company are necessary to authorize the execution and delivery by the Company of this Agreement and the Ancillary Agreements, the performance by the Company of all of its obligations hereunder and thereunder and the consummation by the Company of the transactions contemplated hereby and thereby. This Agreement has been duly executed and delivered by the Company. This Agreement and each Ancillary Agreement to which the Company is a party constitutes, or upon execution and delivery will constitute, the legal, valid and binding obligation of the Company, enforceable against them in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws relating to or affecting the enforcement of creditors' rights in general and by general principles of equity.

3.5. No Conflict. Subject to the receipt of the Consents listed in Section 3.5 of the Disclosure Letter, the execution, delivery and performance by the Company of this Agreement and the Ancillary Agreements and the consummation by the Company of the transactions contemplated hereby and thereby will not, with or without the giving of notice or the lapse of time or both, (a) result in the creation of any Lien upon any of the properties or assets of the Company or any of its Subsidiaries, (b) conflict with the Constitutional Documents of the Company or any of its Subsidiaries, each as amended to date, or (c) conflict with, result in a breach or violation of, constitute a default under, result in the acceleration of, create in any Person the right to accelerate, terminate, modify or cancel, or require any notice, Consent or waiver under, or result in the loss of any benefit to which the Company or any of its Subsidiaries is entitled under, any Contract, Law, Permit or Judgment binding upon or applicable to the Company, any of its Subsidiaries or any of their respective properties or assets.

3.6. Consents.

(a) Except as set forth on Section 3.6(a) of the Disclosure Letter, no Consent under any Contract is required to be obtained, and the Company is not or will not be required to give any notice to, any Person in connection with the execution, delivery or performance of this Agreement or any other Ancillary Agreement by the Company or the consummation of the transactions contemplated hereby or thereby. For purposes of this Agreement, a Consent will be deemed "required to be obtained," and a notice will be deemed "required to be given," if the failure to obtain such Consent or give such notice could result in the Company becoming subject to any liability, being required to make any payment or losing or foregoing any right or benefit.

(b) Except as set forth on Section 3.6(b) of the Disclosure Letter (collectively with the consent set forth on Section 3.6(a) of the Disclosure Letter, the "Required Consents"), no Consent of any

Governmental Entity is required to be obtained from, and no filing is required to be made with, any Governmental Entity, by the Company either (i) in connection with the execution, delivery and performance of this Agreement or any other Ancillary Agreement by the Company, or (ii) the consummation of the transactions contemplated hereby or thereby.

3.7. Financial Statements.

(a) Section 3.7 of the Disclosure Letter sets forth (i) the unaudited consolidated balance sheets of the Company and its Subsidiaries as of December 31, 2014 and 2015 and the unaudited consolidated statements of income and cash flows of the Company and its Subsidiaries for the fiscal years then ended (the “Unaudited Financial Statements”), and (ii) the unaudited consolidated balance sheet of the Company and its Subsidiaries (the “Company Balance Sheet”) as of June 30, 2016 (the “Balance Sheet Date”) and the related unaudited consolidated statements of income and cash flows of the Company and its Subsidiaries for the six (6)-month period then ended (the “Interim Financial Statements”) and, together with the Unaudited Financial Statements, the “Company Financial Statements”). The Company Financial Statements have been prepared in accordance with GAAP applied on a consistent basis throughout the periods indicated, except that the Interim Financial Statements do not contain footnotes and are subject to normal year-end adjustments, none of which are reasonably expected to have a material impact on the results of operations of the Company and its Subsidiaries. The Company Financial Statements present fairly, in all material respects, the consolidated financial position, results of operations and cash flows of the Company and its Subsidiaries as of the dates and for the periods indicated therein. The books and records of the Company and its Subsidiaries for the periods covered by the Company Financial Statements have been, and the current books and records of the Company and its Subsidiaries are being, maintained in all material respects in accordance with applicable legal and accounting requirements, and the Company Financial Statements are consistent with such books and records.

(a) The accounts receivable reflected on the Company Balance Sheet, and all of the accounts receivable of the Company and its Subsidiaries arising since the Balance Sheet Date, arose from bona fide transactions in the ordinary course of business, and the goods and services involved have been sold, delivered and performed to the account obligors, and no further filings (with governmental agencies, insurers or others) are required to be made, no further goods are required to be provided and no further services are required to be rendered to properly reflect such accounts receivable on a balance sheet in accordance with GAAP. No such account has been assigned or pledged to any Person and, except only to the extent fully reserved against as set forth on the Company Balance Sheet, no defense or set-off to any such account has been asserted by the account obligor or exists.

(b) All accounts payable and notes payable of the Company arose in bona fide arm’s length transactions in the ordinary course of business and no such account payable or note payable is delinquent in its payment. Since the Balance Sheet Date, the Company has paid its accounts payable in the ordinary course of its business and in a manner which is consistent with its past practices.

(c) The Company and its Subsidiaries maintain in all material respects an adequate system of internal controls and procedures of the accounting practices, procedures and policies employed by the Company and its Subsidiaries. There have not been any significant deficiencies or material weaknesses in the financial reporting of the Company and its Subsidiaries which are or were reasonably likely to materially and adversely affect the ability to record, process, summarize and report financial information, or any fraud (whether or not material) that involved management or other employees who have or had a significant role in financial reporting.

3.8. No Undisclosed Liabilities. Except for (i) the liabilities reflected or reserved against on the Company Balance Sheet, (ii) trade payables and accrued expenses incurred by the Company or any of its Subsidiaries since the Balance Sheet Date in the ordinary course of business, (iii) executory contract obligations under (x) Contracts listed in Section 3.13 of the Disclosure Letter or (y) Contracts not required to be listed in Section 3.13 of the Disclosure Letter, and (iv) liabilities with respect to matters disclosed on the

Disclosure Letter, neither the Company nor any of its Subsidiaries has any liabilities, obligations or commitments (whether accrued, absolute, contingent, unliquidated, known, unknown, due or to become due or otherwise, and regardless of when asserted, and whether or not of a nature required to be reflected or reserved against in a balance sheet in accordance with GAAP).

3.9. Absence of Certain Changes. Since the Balance Sheet Date, (i) there have not been any events, occurrences, changes, developments or circumstances that had, or would reasonably be anticipated to have, a Material Adverse Effect, and (ii) neither the Company nor any of its Subsidiaries has taken any Material Action.

3.10. Title to Assets and Properties; Equipment and Other Tangible Properties.

(a) The Company and its Subsidiaries have good and valid title to, or, in the case of leased properties and assets, a valid leasehold interest in, or otherwise have a valid legal right to use, all of their respective material tangible personal assets and properties (i) reflected on the Company Balance Sheet or acquired after the Balance Sheet Date, other than assets and properties disposed of in the ordinary course of business consistent with past practice since the Balance Sheet Date, or (ii) necessary to conduct the business and operations of the Company and its Subsidiaries as currently conducted. All of said properties and assets that are owned by the Company or any of its Subsidiaries are owned free and clear of any Liens, other than Permitted Liens.

(b) The equipment, furniture, machinery, vehicles, spare parts, structures, fixtures and other tangible property of the Company and its Subsidiaries (the "Tangible Company Properties") are (i) in good operating condition and repair consistent with normal industry standards, except for ordinary wear and tear, and except for such Tangible Company Properties as shall have been taken out of service on a temporary basis for repairs or replacement consistent with the prior practices of the Company and its Subsidiaries and normal industry standards, and (ii) in compliance in all material respects with all federal and state safety standards. To the Company's knowledge, the Tangible Company Properties are free of any structural or engineering defects, and there has not been any significant interruption of the business of the Company and its Subsidiaries due to inadequate maintenance or obsolescence of the Tangible Company Properties.

3.11. Owned and Leased Real Property.

(a) Section 3.11(a) of the Disclosure Letter contains a list of each lease, sublease or license pursuant to which the Company or any of its Subsidiaries leases or licenses the use or occupancy of any real property as of the date of this Agreement (each, a "Lease" and, such real property, the "Leased Real Property"). Each Lease is valid and binding on the Company and any of its Subsidiaries party thereto and, to the Company's Knowledge, each other party thereto, and is in full force and effect. There is no material breach or default under any Lease by the Company or any of its Subsidiaries or, to the Company's Knowledge, any other party thereto. No event has occurred that with or without the lapse of time or the giving of notice or both would constitute a material breach or default under any Lease by the Company or any of its Subsidiaries or, to the Company's Knowledge, any other party thereto. The Company or one of its Subsidiaries that is either the tenant or licensee named under a Lease has a good and valid leasehold interest in and to the Leased Real Property, and, except to the extent of the portion of any Leased Real Property under a sublease, is in possession of the Leased Real Property. Neither the Company, any of its Subsidiaries nor any of their respective authorized agents or employees has received written notice of any claimed abatements, offsets, defenses or other bases for relief or adjustment with respect to any Lease.

(b) Section 3.11(b) of the Disclosure Letter contains a list of all real property owned by the Company or any of its Subsidiaries (the "Owned Real Property"). The Company or the Subsidiary shown in Section 3.11(b) of the Disclosure Letter as the record owner of such parcel of Owned Real Property has good and marketable fee simple title to the Owned Real Property free and clear of all Liens other than

Permitted Liens. There are no outstanding agreements, options, rights of first offer or rights of first refusal on the part of any Person to purchase or lease any Owned Real Property.

(c) With respect to each Leased Real Property and Owned Real Property, (i) there are no pending or, to the Company's Knowledge, contemplated, rezoning or special designation proceedings affecting any of the Leased Real Property or the Owned Real Property, (ii) there are no pending or, to the Company's Knowledge, threatened, condemnation proceedings related to any of the Leased Real Property or the Owned Real Property, (iii) all of the buildings, structures, appurtenances and other improvements situated on any of the Leased Real Property or the Owned Real Property have been maintained in accordance with the Company's usual business practices, and are in good operating condition and in a state of good maintenance and repair, are adequate for the purposes for which they are presently being used and none of such buildings, structures, appurtenances, fixtures or other improvements, nor the operation or maintenance thereof, violates any restrictive covenant, applicable building, zoning or other applicable land use Laws, and (iv) each parcel of Owned Real Property and Leased Real Property has adequate rights for ingress and egress for operation of their respective businesses in the ordinary course of business, and for service of such property by sewer, water, gas, electric, telephone and other utilities in sufficient capacities as are necessary for operation of their respective businesses in the ordinary course of business.

3.12. Intellectual Property.

(a) Section 3.12(a) of the Disclosure Letter (i) sets forth a list and description of all Registered Intellectual Property included in the Company Intellectual Property and (ii) specifies, where applicable, the jurisdictions in which any Registered Intellectual Property has been registered or in which an application for such registration has been filed, including the respective registration or application numbers and the names of all registered owners. The Company Intellectual Property includes all intellectual property rights necessary for the Company and its Subsidiaries to conduct their businesses as presently being conducted. No interest in the Company Intellectual Property has been assigned, transferred, licensed or sublicensed by the Company or any of its Subsidiaries to any Person. The Company and its Subsidiaries are in compliance in all material respects with all legal requirements applicable to the Company Intellectual Property and the Company's and its Subsidiaries' ownership and use thereof.

(b) The Company and its Subsidiaries are the sole owners of all right, title and interest in and to the Registered Intellectual Property owned by them, and all governmental fees as well as all registration, maintenance and renewal fees associated therewith and due as of the date hereof have been paid in full. With respect to the Registered Intellectual Property, such registrations, filings or issuances were duly made and remain in full force and effect. With respect to all Company Intellectual Property, the Company or one of its Subsidiaries either owns such Company Intellectual Property free and clear of any and all Liens (other than Permitted Liens) or, with respect to the Company Intellectual Property which is not owned by the Company or one of its Subsidiaries, the Company or one of its Subsidiaries are validly licensed or otherwise possess valid and enforceable rights to use such Company Intellectual Property as currently used in the conduct of business operations of the Company and its Subsidiaries. No royalties, honorariums or fees are payable by the Company or any of its Subsidiaries to any Person by reason of the ownership or use of any of the Company Intellectual Property.

(c) Neither the Company nor any of its Subsidiaries in the operation of its businesses, no service of the Company or any of its Subsidiaries and no utilization of the Company Intellectual Property by or on behalf of the Company or any of its Subsidiaries infringes, violates or misappropriates the intellectual property rights of any third party. There have been no claims made against the Company or any of its Subsidiaries asserting the infringement, violation, misappropriation, invalidity, abuse, misuse or unenforceability of any of the Company Intellectual Property and, to the Company's Knowledge, no grounds for any such claims exist. Neither the Company nor any of its Subsidiaries has received any written notice that it is in conflict with or infringing upon the asserted intellectual property rights of others in connection with the Company Intellectual Property. Neither the Company nor any of its Subsidiaries has made any claim of any

violation or infringement by others of any of the Company Intellectual Property or interests therein and, to the Company's Knowledge, no grounds for any such claims exist.

(d) Section 3.12(d) of the Disclosure Letter identifies all license agreements as to which the Company or any of its Subsidiaries is a party and pursuant to which the Company or any of its Subsidiaries is authorized to use, or authorizes any third party to use, any Company Intellectual Property (other than commercial off-the-shelf software licenses). None of the Company or any of its Subsidiaries nor, to the Company's Knowledge, any other party or parties thereto, is in violation or default in any material respect of any such license agreements.

(e) No former or current employees, agents, consultants and independent contractors of the Company or any of its Subsidiaries have (i) asserted any claim against the Company or any of its Subsidiaries in connection with such Person's involvement in the conception and development of any Intellectual Property, and, to the Company's Knowledge, no such claim has been threatened, or (ii) been named as an inventor on any patent owned by, or pending patent application by, the Company or any of its Subsidiaries for any device, process, design or invention of any kind now used or needed by the Company or any of its Subsidiaries in the furtherance of their businesses, except for inventions that have been assigned to the Company or any of its Subsidiaries, with an assignment thereof duly recorded in the U.S. Patent and Trademark Office.

(f) To the extent any of the Company Intellectual Property constitutes proprietary or confidential information, the Company and its Subsidiaries have taken steps reasonable under the circumstances to adequately safeguard such information from disclosure.

3.13. Contracts.

(a) Section 3.13(a) of the Disclosure Letter lists each of the following Contracts to which the Company or one of its Subsidiaries is a party or by which any of their respective assets or properties is bound:

(i) any Contract relating to the employment or retention of consulting services of any Person (including employment agreements, consulting agreements, severance arrangements, retention arrangements, change of control arrangements, transaction bonus or payment arrangements and any Contracts related to employee benefits or compensation or payments to any Company employees that are not available on the same terms to employees of the Company and its Subsidiaries generally);

(ii) any Contract containing a covenant not to compete or other covenant restricting the development, marketing, sale or distribution of the services of the Company or any of its Subsidiaries or otherwise restricting or limiting the ability of the Company or any of its Subsidiaries to do business;

(iii) any Contract with any current or former officer, director, employee, consultant or shareholder of the Company or any of its Subsidiaries (other than any employment and consulting Contracts covered by clause (i) above);

(iv) any lease, sublease or similar Contract with any Person under which the Company or any of its Subsidiaries (A) is lessee of, or holds or uses, any machinery, equipment, vehicle or other tangible personal property owned by any Person or (B) is a lessor or sublessor of, or makes available for use by any Person, any tangible personal property owned or leased by the Company or any of its Subsidiaries, in any such case in the foregoing clause (A) or in this clause (B) which has an aggregate future liability or receivable, as the case may be, in excess of \$25,000;

- (v) any Contract requiring payments to or from the Company or any of its Subsidiaries in excess of \$75,000 annually or \$150,000 in the aggregate;
- (vi) any Contract for capital expenditures by the Company or any of its Subsidiaries in excess of \$25,000;
- (vii) any Contract evidencing, securing or otherwise relating to Debt incurred by the Company or any of its Subsidiaries, including guarantees of such Debt by the Company or any of its Subsidiaries;
- (viii) any Contract under which the Company or any of its Subsidiaries has, directly or indirectly, made, committed to make or is otherwise obligated to make any advance, loan, extension of credit or capital contribution to, or other investment in, any Person (other than extensions of trade credit in the ordinary course of business), in any such case which, individually or together with any similar advances, loans, extensions of credit, capital contributions or investments (and any commitments or obligations to make any of the foregoing), is in excess of \$25,000;
- (ix) any guaranty, surety or performance bond or letter of credit issued or posted, as applicable, by the Company or any of its Subsidiaries;
- (x) any Contract under which any Governmental Entity has any material rights or that requires consent, approval or waiver of, or notice to, a Governmental Entity in connection with the transactions contemplated by this Agreement;
- (xi) any preferential purchase right, right of first refusal or similar Contract;
- (xii) any Contract for any joint venture, partnership or similar arrangement;
- (xiii) any Contract with any Material Customer or Material Supplier;
- (xiv) any collective bargaining agreement or any Contract with any union to which a Company or Subsidiary is a party or by which a Company or Subsidiary is bound;
- (xv) any Contract relating to or concerning Company Intellectual Property; and
- (xvi) any Contract that grants a counterparty “most favored nation” or similar rights.

(b) All Contracts listed or required to be listed in Section 3.13(a) of the Disclosure Letter (the “Company Material Contracts”) are valid and binding on the Company and any of its Subsidiaries party thereto and, to the Company’s Knowledge, each other party thereto, and are in full force and effect. The Company and its Subsidiaries have performed in all material respects all obligations required to be performed by them to date under the Company Material Contracts, and they are not (with or without the lapse of time or the giving of notice, or both) in material breach or default thereunder and, to the Company’s Knowledge, no other party to any Company Material Contract is (with or without the lapse of time or the giving of notice, or both) in material breach or default thereunder. Neither the Company nor any of its Subsidiaries has received any written (or, to the Company’s Knowledge, oral) notice of the intention of any party to terminate, cancel, not renew (to the extent applicable) or fail to perform any material obligation under any Company Material Contract.

3.14. Litigation.

(a) There is no Legal Action pending or, to the Company's Knowledge, threatened against or affecting the Company or any of its Subsidiaries, any of their respective properties or assets. None of the Company, any of its Subsidiaries or their respective properties or assets is subject to any Judgment that materially impairs the Company's or such Subsidiary's ability to conduct its business as currently conducted. Section 3.14(a) of the Disclosure Letter lists all material Legal Actions relating to the Company and its Subsidiaries that were pending, settled or adjudicated.

(b) There is no Legal Action pending or, to the Company's Knowledge, threatened against or affecting the Company or any of its Subsidiaries or any of their respective properties or assets or otherwise that would reasonably be expected to have a material adverse effect on the ability of the Company to perform its obligations pursuant to this Agreement or to consummate the transactions contemplated hereby in a timely manner or that in any manner draws into question the validity of this Agreement.

3.15. Compliance with Laws. The Company and each of its Subsidiaries and their respective properties and assets are, and at all times have been, in material compliance with all applicable Law. Without limiting the generality of the foregoing, (i) no formal or informal non-routine administrative, civil or criminal investigation, audit or review relating to the Company or any of its Subsidiaries or any of their respective properties or assets is being (or has been) conducted by any commission, board or other Governmental Entity, and, to the Company's Knowledge, no such investigation, audit or review is scheduled, pending or threatened, (ii) neither the Company nor any of its Subsidiaries has received or entered into any material citations, complaints, consent orders, imminent hazard orders, revocations of authority, compliance schedules or other similar enforcement orders, or has received any written notice from any Governmental Entity or any other written notice that would indicate that there is not currently material compliance with all such applicable Law or Judgment, and (iii) neither the Company nor any of its Subsidiaries is in material default under, and, to the Company's Knowledge, no condition exists (whether covered by insurance or not) that with or without notice or lapse of time or both would constitute a material default under, or material breach or violation of, any Law, Judgment or Permit applicable to the Company and its Subsidiaries or any of their respective properties or assets.

3.16. Permits and Authorizations.

(a) The Company and each of its Subsidiaries possess all material Permits required to own or hold under lease or license and operate its properties and assets and to conduct its business as currently conducted, and all such Permits (except for any single use, special load Permits) are listed in Section 3.16(a) of the Disclosure Letter. All such Permits are in full force and effect, and the Company and its Subsidiaries have complied in all material respects with all terms and conditions thereof. Neither the Company nor any of its Subsidiaries has received written (or, to the Company's Knowledge, oral) notice of any Legal Action relating to the revocation, violation, forfeiture or modification of any such Permits and, to the Company's Knowledge, no such Legal Action is threatened, and no Legal Action has been taken or, to the Company's Knowledge, threatened in connection with the expiration or renewal of such Permits which could reasonably be expected to materially adversely affect the ability of the Company and its Subsidiaries to own, lease, license, operate, use or maintain any of their assets or properties or to conduct their businesses and operations as presently conducted. The Company and each of its Subsidiaries have at all times been in compliance in all material respects with all Permits held by it. No violations have occurred that remain uncured, unwaived or otherwise unresolved, or are occurring in respect of any such Permits, other than immaterial violations. To the Company's Knowledge, (i) no circumstances exist that would prevent or delay the obtaining of any requisite consent, approval, waiver or other authorization of the transactions contemplated hereby with respect to such Permits that by their terms or under applicable Law may be obtained only after the Closing, and (ii) there exists no set of facts which would reasonably be expected to result in the recall, withdrawal or suspension of any registration, license or other Permit, approval or consent of any Governmental Entity with respect to the Company or any of its Subsidiaries. There is not pending or, to the Company's Knowledge, threatened, any Legal Action, written (or to the Company's Knowledge, oral) notice of violation, order of forfeiture, or written (or to the Company's Knowledge, oral) complaint or investigation against the Company or any of its

Subsidiaries or their employees relating to any Permits. To the Company's Knowledge, all Persons employed or engaged by the Company or any of its Subsidiaries which are required to hold Permits as a result of or in connection with their job functions with the Company or any of its Subsidiaries hold all such Permits, and the Company and its Subsidiaries have implemented commercially reasonable controls designed to provide reasonable assurance that all such Persons maintain such requisite Permits in full force and effect at all relevant times.

(b) Section 3.16(b) of the Disclosure Letter sets forth a list of all material authorizations, consents, approvals, franchises, licenses and permits of Persons (other than Governmental Entities) that are required to be obtained by the Company or any of its Subsidiaries for the operation of their businesses as presently operated (the "Other Person Authorizations"). All of the Other Person Authorizations have been duly issued or obtained and are in full force and effect, and the Company and its Subsidiaries are in compliance in all material respects with the terms of all the Other Person Authorizations. To the Company's Knowledge, (i) there are no facts that would cause the Company or any of its Subsidiaries to believe that the Other Person Authorizations will not be renewed by the appropriate Person in the ordinary course, and (ii) each of the Other Person Authorizations will continue in full force and effect following the Closing without (A) the occurrence of any breach, default or forfeiture of rights thereunder, or (B) the consent, approval or act of, or the making of any filings with, any Person.

3.17. Insurance. Section 3.17 of the Disclosure Letter sets forth as of the date of this Agreement a list of all insurance policies covering the assets, business, equipment, properties, operations or Employees of the Company or any of its Subsidiaries, all of which are in full force and effect. Such insurance policies are sufficient for compliance by the Company and its Subsidiaries in all material respects with all applicable Laws and all Company Material Contracts. Section 3.17 of the Disclosure Letter sets forth a correct and complete list of all claims by the Company or any of its Subsidiaries pending under any of such policies. There is no claim by the Company or any of its Subsidiaries pending under any of such policies as to which coverage has been questioned, denied or disputed or that the Company has a reason to believe will be denied or disputed by the underwriters of such policies or bonds and, to the Company's Knowledge, there is no pending claim that will exceed the policy limits. All premiums due and payable under all such policies and bonds have been paid (or if installment payments are due, will be paid if incurred prior to the Closing) and the Company and its Subsidiaries are otherwise in material compliance with the terms of such policies. None of the insurance carriers has provided written (or, to the Company's Knowledge, oral) notice to the Company or any of its Subsidiaries of its intention to cancel any such policy or to materially increase any insurance premiums, or that any insurance required to be listed in Section 3.17 of the Disclosure Letter will not be available in the future on substantially the same terms as currently in effect.

3.18. Environmental Matters.

(a) All reports prepared by or on behalf of the Sellers, the Company or any of its Subsidiaries concerning environmental investigations, audits, assessments and remedial activities conducted by or on behalf of the Company or any of its Subsidiaries since December 31, 2008 have been made available to the Purchaser.

(b) There are no Legal Actions pending or, to the Company's Knowledge, threatened against the Company or any of its Subsidiaries, or any claims, investigations, litigation or Judgments involving the Company or any of its Subsidiaries, relating to Environmental Laws or relating to any real property currently or formerly owned, leased or otherwise used by the Company or any of its Subsidiaries (collectively, "Environmental Claims"), the disposition of which may result in: (i) liability against the Company or any of its Subsidiaries for penalties, fines, environmental costs, damages, monitoring, maintenance of wells, testing, sampling, response, remedial or inspection costs or other monetary relief; (ii) interruption of the operations or business of the Company or any of its Subsidiaries; or (iii) the making of a capital expenditure.

(c) The Company and each of its Subsidiaries are, and at all times have been, in material compliance with all applicable Environmental Laws.

(d) Neither the Company nor any of its Subsidiaries has received any written notice of violation, demand letter or notice of claim from a Governmental Entity or other Person with respect to any Environmental Claim or the presence of Hazardous Materials in, on, under, about, migrating onto or emanating from any real property currently or formerly owned, leased or otherwise used by the Company or any of its Subsidiaries. Neither the Company, any of its Subsidiaries nor, to the Company's Knowledge, any prior owner, lessee or operator of any real property currently or formerly owned, leased or otherwise used by the Company or any of its Subsidiaries, has caused or permitted any Hazardous Material to be used, generated, reclaimed, transported, Released, treated, stored or disposed or arranged to be transported or disposed of in a manner which would reasonably form the basis for an Environmental Claim against the Company, any of its Subsidiaries or the Purchaser. No Hazardous Materials have been stored or otherwise located, and no underground storage tanks or surface impoundments have been located, on real property currently owned, leased or used by the Company or any of its Subsidiaries or, to the Company's Knowledge, on adjacent parcels of real property or real property formerly owned, leased or used by the Company or any of its Subsidiaries. To the Company's Knowledge, no part of any real property currently or formerly owned, leased or used by the Company or any of its Subsidiaries or any adjacent parcels of real property, including the groundwater located thereon, is presently contaminated by Hazardous Materials.

(e) Neither the Company nor any of its Subsidiaries has (i) entered into or agreed to any Judgment requiring compliance by the Company or any of its Subsidiaries with any Environmental Law or the investigation or cleanup of Hazardous Materials, or (ii) assumed any liability of any Person for cleanup, compliance or required capital expenditures in connection with any Environmental Claim.

(f) To the Company's Knowledge, there are no asbestos-containing materials or equipment or other devices containing polychlorinated biphenyls on, at or under the Owned Real Property or the Leased Real Property. All damaged friable asbestos-containing materials that to the Company's Knowledge are on or at the Owned Real Property or the Leased Real Property have been maintained, repaired, encapsulated or removed in accordance with applicable Environmental Laws.

3.19. Employment Matters.

(a) (i) There is not, and there has never been, any labor strike, dispute, work stoppage, work slowdown, or lockout pending or, to the Company's Knowledge, threatened, against or affecting the Company or any of its Subsidiaries; (ii) to the Company's Knowledge, no union organizational campaign, petition or other unionization activities is in progress with respect to the Employees of the Company or any of its Subsidiaries; (iii) neither the Company nor any of its Subsidiaries has ever engaged in any unfair labor practices and there are not any unfair labor practice charges or complaints against the Company or any of its Subsidiaries pending or, to the Company's Knowledge, threatened, before the National Labor Relations Board or any other applicable Governmental Entity, nor have there ever been any such pending charges or complaints; (iv) there are not any pending or, to the Company's Knowledge, threatened, charges against the Company or any of its Subsidiaries or any of their Employees before the Equal Employment Opportunity Commission or any state or local agency responsible for the prevention of unlawful employment practices; (v) neither the Company nor any of its Subsidiaries has received any written (or, to the Company's Knowledge, oral) communication during the twelve (12) months immediately preceding the date of this Agreement of the intent of any Governmental Entity responsible for the enforcement of labor or employment Laws to conduct an investigation or audit of it and/or to initiate a claim or action against it, and, to the Company's Knowledge, no such investigation or audit is in progress; (vi) there are no union, labor or collective bargaining agreements to which the Company is a party or otherwise bound relating to any employee or employment practices, wages, hours or terms or conditions of employment and no Company employee, to the Company's Knowledge, is represented by a union; (vii) the Company is not a party to or otherwise bound by any consent decree or order with, or citation by, any Governmental Entity relating to any

employee or employment practices, wages, hours or terms or conditions of employment; and (viii) there are no unsatisfied obligations, claims, lawsuits, grievances, workers' compensation proceedings or similar proceedings in respect of the Company.

(b) The Company and each of its Subsidiaries (i) are, and at all times have been, in compliance in all material respects with all applicable Laws respecting employment of labor, including those related to wages, hours, eligibility for and payment of overtime compensation, meal and rest break periods, worker classification (including the proper classification of independent contractors and consultants), Tax withholding, collective bargaining, unemployment insurance, workers' compensation, immigration, equal employment opportunities, harassment, retaliation, and discrimination in employment, disability rights and benefits, disability accommodation, leaves of absence, employee privacy, affirmative action, plant closing and mass layoff issues, occupational safety and health Laws; (ii) have at all times withheld and reported all amounts required by Law or by Contract to be withheld and reported with respect to wages, salaries and other payments to its Employees; (iii) are not liable for any amount in respect of arrears of wages, Taxes or any penalty for failure to comply with the Laws applicable to the foregoing; (iv) are not liable for any payment to any trust or other fund governed by or maintained by or on behalf of any Governmental Entity with respect to unemployment compensation benefits, social security or other benefits or obligations for its Employees (other than routine payments to be made in the normal course of business and consistent with past practice); and (v) have no leased employees.

(c) The Company and its Subsidiaries have properly classified in all material respects all individuals who perform services for the Company and its Subsidiaries as an employee or independent contractor and as exempt or non-exempt under the Fair Labor Standards Act and analogous state wage-hour laws, and there is no proceeding pending or, to the Company's Knowledge, threatened that challenges such classifications.

(d) The Company and its Subsidiaries are employing individuals who are lawfully permitted to work in the United States and the Company and its Subsidiaries are in compliance in all material respects with all applicable Laws regarding immigration or employment of non-citizen workers. Neither the Company nor any of its Subsidiaries has been notified of any pending or threatened investigation by any branch or department of U.S. Immigration and Customs Enforcement ("ICE"), or other applicable Governmental Entity charged with administration and enforcement of federal immigration laws concerning it, and neither the Company nor any of its Subsidiaries has received any "no match" notices from ICE, the Social Security Administration or the IRS within the previous twelve (12) months of the date of this Agreement.

(e) The Company has made available to the Purchaser: (i) a correct and complete list of all officers, directors and employees of the Company as of the date of this Agreement, which list contains each such employee's name, date of hire, job title, work location, full/part-time status, exempt/non-exempt status, commission eligibility, equity holdings in the Company, severance entitlement, current compensation paid or payable (including annual vacation, sick time, and other forms of paid leave (both allotted annually and accrued but unused as of the date hereof)), any bonus amounts paid with respect to 2015 and 2016, and leave status (e.g., leave of absence, disability, layoff, active, temporary); and (ii) a correct and complete list of each independent contractor who has worked for the Company in the three (3) year period preceding the date of this Agreement, who has (A) received more than \$25,000 from the Company, and/or (B) provided services to the Company for a period of six (6) consecutive months or longer, which list contains each such independent contractor's name, dates of engagement, nature of work performed, compensation paid, and work location. The Company has paid in full or accrued in its financial statements all wages, salaries, commissions, incentives, bonuses and other compensation due to any employee or otherwise arising under any employee benefit plan or Law prior to the Closing.

(f) Neither the Company nor any of its Subsidiaries has implemented any employee layoffs that implicated or would reasonably be expected to implicate the Worker Adjustment and Notification

Act of 1988 or any similar or related Law (collectively, the “WARN Act”), and no such events have been announced or are currently planned.

(g) Set forth on Section 3.19(g) of the Disclosure Letter is a list of the number of employees terminated or laid-off by the Company within the last three (3) calendar years, together with a complete and accurate list of the following information in respect of each former employee who has been terminated or laid-off, or whose hours of work have been reduced by more than fifty percent (50%) in the prior three (3) years: (i) the date of such termination, layoff or reduction in hours; (ii) the reason therefor; (iii) the employee’s base salary as well as any bonus or commission eligibility; (iv) whether the employee executed a general release of claims or other separation agreement; and (v) the employee’s work location. To the extent that any of the employees listed on Section 3.19(g) of the Disclosure Letter have executed a general release of claims or other separation agreement, the Company has provided a true, correct and complete copy of such document to the Purchaser.

3.20. Employee Benefit Plans.

(a) Section 3.20(a) of the Disclosure Letter sets forth a list of all Company Employee Plans.

(b) The Company has made available to the Purchaser copies, as of the date hereof, of all of the Company Employee Plans that have been reduced to writing (or a written summary of any Company Employee Plan that is not in writing) and a copy of each material document, if any, prepared in connection with each such Company Employee Plan, including (i) a copy of each trust or other funding arrangement, (ii) the most recent summary plan description and summary of material modifications made thereto, (iii) the three (3) most recent annual reports (Form 5500 and all schedules and financial statements attached thereto), if any, required under ERISA, the Code or other applicable Law in connection with each Company Employee Plan, (iv) the nondiscrimination testing results for the three (3) most recent plan years, if applicable; (v) the most recently received IRS determination letter for each Company Employee Plan intended to qualify under ERISA or the Code, and (vi) the most recently prepared actuarial report, if any, and financial statement in connection with each such Company Employee Plan.

(c) Each Company Employee Plan has been operated in all material respects in accordance with its terms and the requirements of all applicable Laws including ERISA and the Code. The Company and each of its Subsidiaries have performed all obligations required to be performed by them under, are not in any respect in default under or in violation of, and have no knowledge of any default or violation by any party to, any Company Employee Plan, and no “prohibited transaction” has occurred within the meaning of the applicable provisions of ERISA and the Code. No action, claim or proceeding is pending or, to the Company’s Knowledge, threatened with respect to any Company Employee Plan (other than claims for benefits in the ordinary course) and no fact or event exists that could give rise to any such action, claim or proceeding. Neither the Company, any of its Subsidiaries or any ERISA Affiliate is subject to any penalty or Tax with respect to any Company Employee Plan under Section 502(i) of ERISA or Sections 4975 through 4980B of the Code. Neither the Company nor any of its Subsidiaries nor any ERISA Affiliate has incurred nor shall incur any liability under, arising out of or by operation of Title IV of ERISA.

(d) Neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby, either alone or together with another event, will (i) result in any payment (including severance, unemployment compensation, golden parachute, forgiveness of indebtedness or otherwise) becoming due under any Company Employee Plan, whether or not such payment is contingent, (ii) increase any benefits otherwise payable under any Company Employee Plan or other arrangement, or (iii) result in the acceleration of the time of payment, vesting or funding of any benefits, whether or not contingent. No Company Employee Plan provides for a deferral of compensation that will be subject to the taxes imposed by Section 409A of the Code.

(e) Neither the Company nor any of its Subsidiaries maintains, contributes to, or in any way provides for any benefits of any kind to, or has any liability of any kind to any current or future retiree, including medical and death benefits, other than coverage mandated by the Consolidated Omnibus Reconciliation Act of 1985 or similar state insurance Law.

(f) The Company Financial Statements include appropriate accruals for all obligations and liabilities under all Company Employee Plans, and all contributions, premiums or other amounts required to be paid or provided by any person or entity to or under any such Company Employee Plan have been timely made in accordance with the terms thereof. No plan assets have been pledged as collateral for any loan, other than bona fide loans made to participants of any Company Employee Plan, or other obligation of any Person. To the Company's Knowledge, no act or event has occurred or circumstance exists that may result in a material increase in premium or benefit costs of any Company Employee Plan. No Company Employee Plan has been declared to be fully or partially terminated, nor has any act or event occurred pursuant to which any Company Employee Plan could be ordered to be terminated, in whole or in part, by any Governmental Entity.

(g) Neither the Company nor any of its ERISA Affiliates has at any time had any obligation to contribute to a "defined benefit plan" as defined in Section 3(35) of ERISA, a pension plan subject to the funding standards of Section 302 of ERISA or Section 412 of the Code or a "multiemployer plan" as defined in Section 3(37) of ERISA or Section 414(f) of the Code.

(h) Each Company Employee Plan that is intended to be qualified under Section 401(a) of the Code or Section 401(k) of the Code has timely received a favorable determination or opinion letter from the IRS covering all of the provisions applicable to the Company Employee Plan for which determination letters are currently available that the Company Employee Plan is so qualified. Each trust established in connection with any Company Employee Plan which is intended to be exempt from federal income taxation under Section 501(a) of the Code has received a determination or opinion letter from the IRS that it is so exempt.

3.21. Tax Matters.

(a) The Company and each of its Subsidiaries have filed in a timely manner (within any applicable extension periods) all Tax Returns required to be filed by them. All such Tax Returns are complete and accurate in all material respects. All income and other material Taxes due and owing by the Company or any of its Subsidiaries (whether or not shown on any Tax Returns) have been timely paid in full, or have been reserved for in accordance with GAAP on the Company Balance Sheet. Neither the Company nor any of its Subsidiaries is currently the beneficiary of any extension of time within which to file any Tax Return.

(b) Neither the Company nor any of its Subsidiaries nor any predecessors has waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a material Tax assessment or deficiency, which waiver or extension is currently effective, nor has the Company nor any of its Subsidiaries made any request in writing for any such extension or waiver that is currently outstanding.

(c) There are no Liens for Taxes (other than for current Taxes not yet due and payable and Taxes that are being contested in good faith) on the assets of the Company or any of its Subsidiaries.

(d) Since January 1, 2010, neither the Company nor any of its Subsidiaries has received a written claim from a Taxing Authority in a jurisdiction in which it does not file a Tax Return that it is or may be subject to taxation by that jurisdiction that has not yet been settled or otherwise resolved.

(e) All Taxes that are required by Law to be withheld or collected by the Company and any of its Subsidiaries have been duly and timely withheld or collected and, to the extent required, have been paid to the proper Taxing Authority.

(f) Since January 1, 2010, no material deficiencies for Taxes of the Company or any of its Subsidiaries have been claimed, proposed or assessed in writing by any Taxing Authority or other Governmental Entity. There are no pending or, to the Company's Knowledge, threatened audits, assessments or other actions for or relating to any material liability in respect of Taxes of the Company or any of its Subsidiaries. The Company has made available to the Purchaser copies of (i) all federal income Tax Returns and other material federal Tax Returns of the Company and its Subsidiaries and their predecessors for each of their three (3) most recently completed fiscal years, (ii) all state and local income Tax Returns and other material state and local Tax Returns of the Company and its Subsidiaries for the most recently completed fiscal year, and (iii) copies of all examination reports and statements of deficiencies assessed against or agreed to by the Company or any of its Subsidiaries or any predecessors since January 1, 2010, with respect to Taxes of any type.

(g) Neither the Company nor any of its Subsidiaries has been a U.S. real property holding corporation within the meaning of Section 897(c)(2) of the Code during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code.

(h) Neither the Company nor any of its Subsidiaries has any liability for the Taxes of any Person (other than the Company or any of its Subsidiaries) under Treasury Regulation Section 1.1502-6 (or any similar provision of state, local, or foreign Law), as a transferee or by contract. Since January 1, 2010, neither the Company nor any of its Subsidiaries has been a member of an affiliated group filing a consolidated federal income Tax Return (other than a group the common parent of which is the Company).

(i) There are no Tax sharing agreements or similar arrangements (including indemnity arrangements) with respect to or involving the Company or any of its Subsidiaries that is currently effective.

(j) Neither the Company nor any of its Subsidiaries has constituted a "distributing corporation" or a "controlled corporation" (within the meaning of Section 355(a)(1)(A) of the Code) in a distribution of stock to which Section 355 of the Code (or so much of Section 356 of the Code as relates to Section 355 of the Code) applies.

(k) Neither the Company nor any of its Subsidiaries has agreed, and neither the Company nor any of its Subsidiaries is required, (i) to make any adjustment under Section 481(a) of the Code for any period after the Closing Date by reason of a change in accounting method or otherwise prior to the Closing Date; or (ii) to include any item of income in taxable income, or exclude any item of deduction, for any taxable period (or portion thereof) ending after the Closing Date as a result of (A) any installment sale or open transaction disposition made on or prior to the Closing Date, (B) any prepaid amount received on or prior to the Closing Date, or (C) any election under Section 108(i) of the Code (or any similar provision of state, local or foreign Law). Neither the Company nor any of its Subsidiaries is subject to Tax by any jurisdiction outside of the United States by virtue of (i) having a permanent establishment or other place of business or (ii) having a source of income in that jurisdiction. Neither the Company nor any of its Subsidiaries is a shareholder of a "controlled foreign corporation" as defined in Section 957 of the Code (or any similar provision of state, local or foreign Law) or is a shareholder in a "passive foreign investment company" within the meaning of Section 1297 of the Code (or any similar provision of state, local or foreign Law).

(l) There are no requests for rulings or determinations in respect of any Tax pending between the Company or any of its Subsidiaries and any Taxing Authority. Neither the Company nor any of its Subsidiaries has (i) received from any Taxing Authority any Tax ruling relating to or affecting the Company or any of its Subsidiaries or (ii) executed or entered into a closing agreement relating to or affecting the Company or any of its Subsidiaries pursuant to Section 7121 of the Code or any predecessor provision thereof or any similar provision of any Law.

(m) Neither the Company nor any of its Subsidiaries has participated in any "reportable transaction" as defined in Section 1.6011-4(b) of the Treasury Regulations or a "listed transaction" as set forth

in Treasury Regulation Section 301.6111-2(b)(2) or any analogous provision of state, local or foreign Law. The Company has disclosed on its federal income Tax Returns all positions taken therein that could give rise to a substantial understatement of federal income Tax within the meaning of Section 6662 of the Code (or any similar provision under any state, local or foreign Tax Law).

(n) Neither the Company nor any of its Subsidiaries is a party to any joint venture, partnership or other arrangement that is treated as a partnership for federal income tax purposes.

(o) All related party transactions involving the Company or any of its Subsidiaries have been conducted at arm's length in compliance with Section 482 of the Code and the Treasury Regulations promulgated thereunder and any comparable provisions of any other Tax Law.

(p) The Company has made a valid election under Section 1362 of the Code to be an S corporation (within the meaning of Section 1361 of the Code) and each of the Company's Subsidiaries has made a valid election under Section 1362 of the Code to be a qualified subchapter S subsidiary (within the meaning of Section 1361(b)(1)(B) of the Code). Each such election: (i) has been in effect and valid at all times since the formation of the Company or such Subsidiary, as applicable; and (ii) will be effective until the Closing.

3.22. Interested Party Transactions. No officer, director, employee, shareholder or Affiliate (including the Sellers and their respective Affiliates) of the Company or any of its Subsidiaries or, to the Company's Knowledge, any entity in which any such Person or individual owns any material beneficial interest, (a) is a party to any Contract or transaction with the Company or any of its Subsidiaries (other than Contracts or transactions related to their employment with, or Equity Interests in, the Company or any of its Subsidiaries), (b) has any material direct or indirect legal interest in any asset or property used by the Company or any of its Subsidiaries, (c) sold, transferred or leased any property or services to the Company or any of its Subsidiaries, (d) purchased, acquired or leased any property or services from the Company or any of its Subsidiaries, (e) loaned or advanced any money to the Company or any of its Subsidiaries, or (f) borrowed any money from the Company or any of its Subsidiaries.

3.23. Absence of Certain Practices.

(a) None of the Company, any of its Subsidiaries or any director, manager, officer, employee or shareholder of the Company or any of its Subsidiaries or other Person acting on their behalf, directly or indirectly, has given, made or agreed to give or make any illegal commission, payment, gratuity, gift, political contribution or other similar benefit to any employee or official of any Governmental Entity or any other Person who is or may be in a position to help or hinder the Company or any of its Subsidiaries or assist the Company or any of its Subsidiaries in connection with any proposed transaction.

(b) None of the Company, any of its Subsidiaries or any director, manager, officer, employee or shareholder of the Company or any of its Subsidiaries or other Person acting on their behalf, has taken any action, directly or indirectly, (i) that would constitute a violation in any material respect by such Persons of the Foreign Corrupt Practices Act of 1977, 15 USC 78dd-1, et seq., as amended, and the rules and regulations thereunder (the "FCPA"), or other relevant multilateral measures such as the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and the UN Convention Against Corruption, including making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give or authorization of the giving of anything of value to any "foreign official" (as defined under the FCPA) or government employee, political party or campaign, official or employee of any public international organization, or official or employee of any government-owned enterprise or institution to obtain or retain business or to secure an improper advantage, or (ii) that would constitute an offer to pay, a promise to pay or a payment of money or anything else of value, or an authorization of such offer, promise or payment, directly or indirectly, to any employee, agent or representative of another company or entity in the

course of their business dealings with the Company, any of its Subsidiaries or any of their respective Affiliates, in order to induce such person to act against the best interest of his or her employer or principal.

(c) The Company and its Subsidiaries have conducted their respective operations in compliance in all material respects with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, and the money laundering Laws of all jurisdictions in which the Company and each Subsidiary operates.

3.24. Bank Accounts. Section 3.24 of the Disclosure Letter lists all bank accounts, safety deposit boxes and lock boxes (designating each authorized signatory with respect thereto) of the Company and its Subsidiaries, including the account number and purpose for each such account, safety deposit box or lock box.

3.25. Brokers' and Finders' Fees. Except for the fees and expenses of Business Venture Group, Inc., which will be paid at the Closing as an Unpaid Transaction Expense, no investment banker, broker, finder or other intermediary is entitled to any fee or commission in connection with the transactions contemplated by this Agreement based on arrangements made on behalf of the Company, any of its Subsidiaries or any Seller.

3.26. Customers and Suppliers. Section 3.26 of the Disclosure Letter lists (i) the ten (10) largest customers (measured by annual revenue to the Company and its Subsidiaries) of the Company and its Subsidiaries during the twelve (12) month period ending on the Balance Sheet Date (collectively, the "Material Customers"), together with the annual revenue to the Company and its Subsidiaries from each such Material Customer during such period, and (ii) the ten (10) largest suppliers (measured by annual expenditures of the Company and its Subsidiaries) of the Company and its Subsidiaries during the twelve (12) month period ending on the Balance Sheet Date (collectively, the "Material Suppliers"), together with the annual expenditures of the Company and its Subsidiaries to each such Material Supplier during such period. No Material Customer or Material Supplier has canceled or otherwise modified in any material respect its relationship with the Company or any of its Subsidiaries, and neither the Company nor any of its Subsidiaries has received written notice (or to the Company's Knowledge, any other notice or indication) that any such Material Customer or Material Supplier intends to cancel or otherwise modify in any material respect its relationship with the Company or any of its Subsidiaries.

3.27. Export Compliance.

(a) The Company and its Subsidiaries are, and at all times have been, in full compliance in all material respects with applicable provisions of U.S. export Laws, including the International Traffic in Arms Regulations, the Export Administration Regulations, the economic sanctions regulations and guidelines administered by the Department of Treasury, Office of Foreign Assets Control and the USA Patriot Act (Title III of Pub. L. 107-56, signed into law October 26, 2001), as amended; and restrictions against dealings with certain prohibited, debarred, denied or specially designated entities or individuals under statutes, regulations, orders and decrees of various agencies of the U.S. government, and the export Laws of the other countries where it conducts business, and neither the Company, any of its Subsidiaries nor any of their respective Affiliates have received any written (or, to the Company's Knowledge, oral) notices of noncompliance, complaints or warnings with respect to its compliance with export Laws.

(b) Neither the Company nor any of its Subsidiaries is (i) in violation of any Anti-Terrorism Law, (ii) a Prohibited Person, (iii) conducting any business or engaging in any transaction or dealing with any Prohibited Person, including the making or receiving of any contribution of funds, goods or services to or for the benefit of any Prohibited Person, (iv) dealing in or otherwise engaging in any transaction relating to property or interests in property blocked pursuant to Executive Order No. 13224 or (v) engaging in or conspiring to engage in any transaction that evades or avoids, or has the purpose or intent of evading or avoiding, or attempting to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

3.28. Disclosure. No representations or warranties by the Company in this Agreement or any Ancillary Agreement, and no statement contained in any certificates furnished or to be furnished by the Company to the Purchaser pursuant to the provisions hereof contains or will contain any untrue statement of material fact or omits or will omit to state any material fact necessary, in order to make the statements herein or therein in light of the circumstances under which they are made, not misleading. The Company has furnished or caused to be furnished to the Purchaser complete and correct copies of all Contracts or other documents referred to in the Disclosure Letter hereto or underlying a disclosure of the Company set forth in the Disclosure Letter hereto.

ARTICLE IV REPRESENTATIONS AND WARRANTIES OF THE SELLERS

Subject to such exceptions as are disclosed in the Disclosure Letter referencing the appropriate Section or subsection of this Article IV, each Seller, severally and jointly, hereby represents and warrants to the Purchaser as of the date of this Agreement as follows:

4.1. Organization of the Sellers. If such Seller is an entity, it is duly organized, validly existing and in good standing under the laws of the State of its formation. If such Seller is an entity, it has all requisite power and authority to own its properties and to carry on its business as now being conducted and is duly qualified to do business and is in good standing in each jurisdiction in which the conduct of its business or the ownership, leasing, holding or use of its properties makes such qualification necessary, except such jurisdictions where the failure to be so qualified or licensed or in good standing would not, individually or in the aggregate, have a material adverse effect on the ability of such Seller to perform its obligations pursuant to this Agreement or to consummate the transactions contemplated hereby in a timely manner.

4.2. Authority. Such Seller has all requisite power and authority to execute and deliver this Agreement and the Ancillary Agreements executed and delivered or to be executed and delivered by such Seller in connection with the transactions provided for hereby, to perform all of its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by such Seller of this Agreement and the Ancillary Agreements and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary and proper action on its part, and no additional proceedings or actions on the part of such Seller are necessary to authorize the execution, delivery and performance by such Seller of this Agreement and the Ancillary Agreements and the consummation of the transactions contemplated hereby and thereby. This Agreement has been duly executed and delivered by such Seller. This Agreement and each Ancillary Agreement to which such Seller and is a party constitutes, or upon execution and delivery will constitute, the legal, valid and binding obligation of such Seller, enforceable against such Seller in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws relating to or affecting the enforcement of creditors' rights in general and by general principles of equity.

4.3. No Conflict. The execution, delivery and performance by such Seller of this Agreement and the Ancillary Agreements and the consummation by such Seller of the transactions contemplated hereby and thereby will not, with or without the giving of notice or the lapse of time or both, (a) if such Seller is an entity, conflict with such Seller's Constitutional Documents, each as amended to date, or (b) conflict with, result in a breach or violation of, constitute a default under, result in the acceleration of, create in any Person the right to accelerate, terminate, modify or cancel, or require any notice, consent or waiver under, or result in the loss of any benefit to which such Seller is entitled under, any material Contract or any Law, Permit or Judgment to which such Seller or any of its properties or assets are subject.

4.4. Consents. No consent, waiver, order, approval or authorization of, or registration, declaration or filing with, or notice to, any Governmental Entity or other Person is required by, or with respect to, such Seller in connection with the execution, delivery and performance of this Agreement and the Ancillary

Agreements or the consummation of the transactions contemplated hereby and thereby, except for any filings that are required under any applicable federal or state securities laws.

4.5. No Legal Actions. There is no Legal Action pending or, to the knowledge of such Seller, threatened against or affecting such Seller or any of its properties or assets or otherwise that would reasonably be expected to have a material adverse effect on the ability of such Seller to perform its obligations pursuant to this Agreement or to consummate the transactions contemplated hereby in a timely manner or that in any manner draws into question the validity of this Agreement.

4.6. Title to the Shares. Such Seller is the record and beneficial owner of the Shares set forth opposite such Seller's name on Exhibit A attached hereto. At the Closing, such Seller will convey to the Purchaser good and marketable title to such Shares, free and clear of any and all Liens except for restrictions on transfer under federal and state securities Laws.

4.7. Investment Intent.

(a) Such Seller is an "accredited investor" (as defined in Rule 501(a) promulgated under the Securities Act) and is represented by counsel in connection with the transactions contemplated hereby. If other than an individual, such Seller also represents that such Seller has not been organized for the purpose of acquiring the Purchaser Shares that such Seller is entitled to receive pursuant to the terms of this Agreement.

(b) Such Seller has had an opportunity to ask questions and receive answers from the Purchaser regarding the terms and conditions of this Agreement, the transactions contemplated hereby and the issuance of the Purchaser Shares and the Purchaser's business, financial condition, properties and prospects and to obtain additional information (to the extent the Purchaser possessed such information or could acquire it without unreasonable effort or expense) necessary to verify the accuracy of any information furnished to such Seller or to which such Seller had access. The foregoing, however, does not limit or modify the representations and warranties of the Purchaser in Article VI of this Agreement or the right of such Seller to rely thereon. Such Seller acknowledges and agrees that the issuance of the Purchaser Shares hereunder may constitute material non-public information and disclosure of such information or use of such information by such Seller or anyone receiving such information from such Seller in connection with the purchase, sale or trade of the Purchaser's securities, or any hedging, derivative or similar transactions or activities involving the Purchaser's securities, may be a violation of securities laws.

(c) Such Seller understands that an investment in the Purchaser involves substantial risks. Such Seller is experienced in evaluating and investing in private placement transactions of securities of micro-cap companies (similar to that of the Purchaser) and acknowledges that such Seller is able to fend for himself, herself or itself. Such Seller has such knowledge and experience in financial and business matters that such Seller is capable of evaluating the merits and risks of an investment in the Purchaser Shares. Such Seller can bear the economic risk of such Seller's investment and is able, without impairing such Seller's financial condition, to hold the Purchaser Shares for an indefinite period of time and to suffer a complete loss of such Seller's investment.

(d) Such Seller understands that the Purchaser Shares will be characterized as "restricted securities" under the federal securities laws inasmuch as they are being acquired from the Purchaser in a transaction not involving a public offering and that under such federal securities laws and applicable regulations such Purchaser Shares may be resold without registration under the Securities Act only in certain limited circumstances. In this connection, such Seller represents that it is aware of the provisions of Rule 144 promulgated under the Securities Act which permit limited resale of shares purchased in a private placement subject to the satisfaction of certain conditions, including, among other things, the existence of a public market for the shares, the availability of certain current public information about the Purchaser, the resale occurring after the passage of the required holding period and, if such Seller is at any time in the future an "affiliate" of the Purchaser (as that term is defined under the Securities Act) the sale being effected through a "broker's

transaction” or in transactions directly with a “market maker” and the number of shares being sold during any three-month period not exceeding specified limitations.

(e) The Purchaser Shares will be acquired for investment for such Seller’s own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and such Seller has no present intention of selling, granting any participation in, or otherwise distributing the same. By executing this Agreement or otherwise becoming Party to this Agreement, such Seller further represents that such Seller does not have any Contract, undertaking, agreement or arrangement with any Person to sell, transfer or grant participations to such Person or to any third Person with respect to any of the Purchaser Shares.

(f) Such Seller understands that the Purchaser Shares are not currently (and, at the time of issuance, will not be) registered under the Securities Act on the ground that the sale provided for in this Agreement and the issuance of the Purchaser Shares hereunder is exempt from registration under the Securities Act pursuant to Section 4(a)(2) thereof, and that the Purchaser’s reliance on such exemption is predicated on the Sellers’ representations set forth herein.

(g) Without in any way limiting the representations set forth above, such Seller further agrees not to make any disposition of all or any portion of the Purchaser Shares unless and until (i) there is then in effect a registration statement under the Securities Act covering such proposed disposition and such disposition is made in accordance with such registration statement or (ii) such Seller shall have notified the Purchaser of the proposed disposition and shall have furnished the Purchaser with a detailed statement of the circumstances surrounding the proposed disposition, and if reasonably requested by the Purchaser, such Seller shall have furnished the Purchaser with an opinion of counsel, reasonably satisfactory to the Purchaser, that such disposition will be exempt from registration under the Securities Act.

(h) Such Seller understands and agrees that the Purchaser Shares will be issued in book-entry form and shall bear the following legend (in addition to any legend required under applicable state securities laws):

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE, AND MAY NOT BE SOLD, TRANSFERRED, ASSIGNED, PLEDGED OR HYPOTHECATED UNLESS AND UNTIL REGISTERED UNDER SUCH ACT AND/OR APPLICABLE STATE SECURITIES LAWS, OR UNLESS THE CORPORATION HAS RECEIVED AN OPINION OF COUNSEL OR OTHER EVIDENCE, REASONABLY SATISFACTORY TO THE CORPORATION AND ITS COUNSEL, THAT SUCH REGISTRATION IS NOT REQUIRED.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

Subject to such exceptions as are disclosed in the disclosure letter dated the date of this Agreement and delivered herewith to the Sellers (the “Purchaser’s Disclosure Letter”) referencing the appropriate Section or subsection of this Article IV (or as may be otherwise readily apparent on the face of the Purchaser’s Disclosure Letter as responsive to any other Section of this Article IV), Purchaser hereby represents and warrants to the Company and to each Seller as of the date of this Agreement as follows:

5.1. Organization of the Purchaser. The Purchaser is duly organized, validly existing and in good standing under the laws of the State of Illinois. The Purchaser has all requisite power and authority to own its properties and to carry on its business as now being conducted and is duly qualified to do business and is in good standing in each jurisdiction in which the conduct of its business or the ownership, leasing, holding or use of its properties makes such qualification necessary, except such jurisdictions where the failure to be so qualified or licensed or in good standing would not, individually or in the aggregate, have a material adverse effect on the ability of the Purchaser to perform its obligations pursuant to this Agreement or to consummate the transactions contemplated hereby in a timely manner.

5.2. Authority. The Purchaser has all requisite power and authority to execute and deliver this Agreement and the Ancillary Agreements executed and delivered or to be executed and delivered by it in connection with the transactions provided for hereby, to perform all of its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by the Purchaser of this Agreement and the Ancillary Agreements and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary and proper action on its part, and no additional proceedings or actions on the part of the Purchaser are necessary to authorize the execution, delivery and performance by it of this Agreement and the Ancillary Agreements and the consummation of the transactions contemplated hereby and thereby. This Agreement has been duly executed and delivered by the Purchaser. This Agreement and each Ancillary Agreement to which the Purchaser is a party constitutes, or upon execution and delivery will constitute, the legal, valid and binding obligation of the Purchaser enforceable against it in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws relating to or affecting the enforcement of creditors’ rights in general and by general principles of equity.

5.3. No Conflict. The execution, delivery and performance by the Purchaser of this Agreement and the Ancillary Agreements and the consummation by the Purchaser of the transactions contemplated hereby and thereby will not, with or without the giving of notice or the lapse of time or both, (a) conflict with the Constitutional Documents (each as amended to date) of the Purchaser, or (b) conflict with, result in a breach or violation of, constitute a default under, result in the acceleration of, create in any Person the right to accelerate, terminate, modify or cancel, or require any notice, consent or waiver under, or result in the loss of any benefit to which the Purchaser is entitled under, any material Contract or any Law, Permit or Judgment to which the Purchaser or any of its respective properties or assets are subject.

5.4. Consents. No consent, waiver, order, approval or authorization of, or registration, declaration or filing with, or notice to, any Governmental Entity or other Person is required by, or with respect to, the Purchaser in connection with the execution, delivery and performance of this Agreement and the Ancillary Agreements or the consummation of the transactions contemplated hereby and thereby, except for any filings that are required under any applicable federal or state securities laws. Without limiting the generality of the foregoing, no vote or consent of the holders of any class or series of capital stock of the Purchaser is necessary to approve this Agreement.

5.5. No Legal Actions. There is no Legal Action pending or, to the knowledge of the Purchaser, threatened against or affecting the Purchaser or any of its respective properties or assets or otherwise that would reasonably be expected to have a material adverse effect on the ability of the Purchaser to

perform its obligations pursuant to this Agreement or to consummate the transactions contemplated hereby in a timely manner or that in any manner draws into question the validity of this Agreement.

5.6. Investment Intention. The Purchaser is acquiring the Shares for its own account, for investment purposes only and not with a view to any public distribution thereof or with any intention of selling, distributing or otherwise disposing of the Shares in a manner that would violate the registration or qualification requirements of the Securities Act of 1933, as amended (the "Securities Act") or any applicable securities Laws. The Purchaser agrees that the Shares may not be sold, transferred, offered for sale, pledged, hypothecated or otherwise disposed of without registration or qualification under the Securities Act and any applicable securities Laws, except pursuant to an exemption from such registration or qualification under the Securities Act and such applicable securities Laws. The Purchaser is able to bear the economic risk of holding the Shares for an indefinite period (including total loss of its investment) and (either alone or together with its representatives) has sufficient knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of its investment.

5.7. Brokers' and Finders' Fees. No investment banker, broker, finder or other intermediary is entitled to any fee or commission payable by the Company, any of its Subsidiaries or any Seller in connection with the transactions contemplated by this Agreement based on arrangements made on behalf of the Purchaser.

5.8. Purchaser Shares. All Purchaser Shares that may be issued to the Sellers hereunder will be, when issued in accordance with the terms thereof, duly authorized, validly issued, fully paid and nonassessable, not subject to any preemptive rights created by statute, the certificate of incorporation or bylaws of the Purchaser or any contract, agreement, instrument or other obligation to which the Purchaser is a party or by which it is bound and free from restrictions or transfer other than restrictions under this Agreement and under applicable federal and state securities laws. The Purchaser has authorized and reserved a sufficient number of shares of its common stock to issue the Purchaser Shares required to be issued by the terms of this Agreement.

5.9. No Representations. Except for the representations and warranties made by the Purchaser in this Article V, neither the Purchaser nor any other Person acting on its behalf makes or has made any representation or warranty, express or implied, relating or with respect to this Agreement or the transactions contemplated hereby to the Sellers, the Company or any other Person.

ARTICLE VI COVENANTS

6.1. Access to Information. The Company shall, and shall cause its officers, shareholders, employees, consultants, agents, accountants, attorneys and other representatives, to afford to the Purchaser, and to the accountants, attorneys, advisors, potential financing sources and other representatives of the Purchaser, reasonable access during normal business hours from the date hereof throughout the period prior to the Closing Date to all properties, assets, books, Contracts, employees, customers, suppliers, agents, files and books and records of the Company and, during such period, shall furnish promptly to the Purchaser and all other information concerning the properties, business, operations and assets of the Company as the Purchaser may reasonably request. Without limiting the foregoing, from the date hereof throughout the period prior to the Closing Date, the Company shall use its best efforts to assist and cooperate with the Purchaser's investigation of the Company's customers and suppliers. No investigation by the Purchaser prior to or after the date of this Agreement shall diminish or obviate any of the representations, warranties, covenants or agreements of the Company contained in this Agreement or the Ancillary Documents.

6.2. No Solicitation.

(a) Each of the Company and each Seller agree that it will not, and will not authorize or permit, directly or indirectly, any of its respective directors, officers, employees, shareholders or Affiliates or any investment banker, attorney or other advisor or representative retained by any of them (all of the foregoing collectively being, the “Company Representatives”) to, (i) solicit, initiate, seek, entertain, knowingly encourage, knowingly facilitate, support or induce the making, submission or announcement of any inquiry, expression of interest, proposal or offer that constitutes, or would reasonably be expected to lead to, an Acquisition Proposal, (ii) enter into, participate in, maintain or continue any communications (except solely to provide written notice as to the existence of these provisions) or negotiations regarding, or deliver or make available to any Person any non-public information with respect to, or take any other action regarding, any inquiry, expression of interest, proposal or offer that constitutes, or would reasonably be expected to lead to, an Acquisition Proposal, (iii) agree to, accept, approve, endorse or recommend any Acquisition Proposal, (iv) enter into any letter of intent or any other Contract contemplating or otherwise relating to any Acquisition Proposal, or (v) submit any Acquisition Proposal to the vote of any Sellers of the Company.

(b) Each Seller and the Company will immediately cease and cause to be terminated any and all existing activities, discussions or negotiations with any Persons conducted prior to or on the date of this Agreement with respect to any Acquisition Proposal. If any Company Representative, whether in his or her capacity as such or in any other capacity, takes any action that the Company is obligated pursuant to this Section 6.2 to cause such Company Representative not to take, then the Company shall be deemed for all purposes of this Agreement to have breached this Section 6.2. Between the date of this Agreement and the earlier of the Closing Date or the date this Agreement is validly terminated, the Company shall not terminate, amend, waive or fail to enforce any material rights under any confidentiality, non-solicitation, non-hire or similar agreement between the Company and any Person.

(c) The Company shall promptly (but in any event, within 24 hours) notify the Purchaser in writing after receipt by the Company (or, to the knowledge of the Company, by any of the Company Representatives), of (i) any Acquisition Proposal, (ii) any inquiry, expression of interest, proposal or offer that would reasonably be expected to lead to an Acquisition Proposal, (iii) any other notice that any Person is considering making an Acquisition Proposal, or (iv) any request for non-public information relating to the Company or for access to any of the properties, books or records of the Company by any Person or Persons other than the Purchaser that would reasonably be expected to lead to an Acquisition Proposal. Such notice shall describe: (i) the material terms and conditions of such Acquisition Proposal, inquiry, expression of interest, proposal, offer, notice or request, and (ii) the identity of the Person or group making any such Acquisition Proposal, inquiry, expression of interest, proposal, offer, notice or request. The Company and the Sellers’ Representative shall keep the Purchaser fully informed of the status and details of, and any modification to, any such inquiry, expression of interest, proposal or offer and any correspondence or communications related thereto and shall provide to the Purchaser a true, correct and complete copy of such inquiry, expression of interest, proposal or offer and any amendments, correspondence and communications related thereto, if it is in writing, or a reasonable written summary thereof, if it is not in writing.

6.3. Conduct of the Business Prior to Closing.

(a) Except with the prior written consent of the Purchaser, the Company shall: (i) conduct the businesses of the Company in the ordinary course of business; (ii) use its best efforts to (A) preserve the present business operations, organization (including management and the sales force) and goodwill of the Company and (B) preserve the present relationship with Persons having business dealings with the Company (including customers and suppliers); (iii) maintain (A) all of the assets and properties of the Company in their current condition (ordinary wear and tear excepted) and (B) insurance upon all of the properties and assets of the Company in such amounts and of such kinds comparable to that in effect on the date of this Agreement; (iv) (A) maintain the books, accounts and records of the Company in the ordinary course of business, (B) continue to collect accounts receivable and pay accounts payable utilizing normal

procedures and without discounting or accelerating payment of such accounts, and (C) comply with all contractual and other obligations applicable to the operation of the Company; (v) comply in all material respects with all applicable Legal Requirements; (vi) timely provide to holders of Equity Securities all advance notices required to be given to such holders in connection with this Agreement and the transactions contemplated by this Agreement under the Company's Constitutional Documents or other applicable Contracts, (vii) timely provide all notices and other information required to be given (which notices and information shall be in form and substance reasonably satisfactory to the Purchaser) to the employees of the Company, any collective bargaining unit representing any group of employees of the Company, and any applicable Governmental Authority under the WARN Act, the National Labor Relations Act, as amended, the Code, COBRA and other Law in connection with the transactions contemplated by this Agreement or other applicable Contracts, and (viii) not take any action which would adversely affect the ability of the parties to consummate the transactions contemplated by this Agreement.

(b) Except with the prior written consent of the Purchaser or as specifically set forth in Section 6.3 of the Disclosure Letter, the Company shall not take any Material Action.

6.4. Regulatory Approvals. The Company shall promptly execute and file, or join in the execution and filing of, any application, notification or other document that may be necessary in order to obtain the authorization, approval or consent of any Governmental Authority, whether federal, state, local or foreign, which may be reasonably required, or which the Purchaser may reasonably request, in connection with the consummation of the transactions contemplated by this Agreement or any Ancillary Document. The Company shall use commercially reasonable efforts to obtain, and to cooperate with the Purchaser to promptly obtain, all such authorizations, approvals and consents and shall pay any associated filing fees payable by the Company with respect to such authorizations, approvals and consents. To the extent permitted by Law, the Company shall promptly inform the Purchaser of any material communication between the Company and any Governmental Authority regarding any of the transactions contemplated hereby, and shall provide the Purchaser reasonable advance notice of the nature and substance of any planned communication with any Governmental Authority. If the Company, any Seller or any of their respective Affiliates receives any formal or informal request for supplemental information or documentary material from any Governmental Authority with respect to the transactions contemplated hereby, then the Company and the Sellers shall make, or cause to be made, as soon as reasonably practicable, a response in compliance with such request. The Company shall direct, in its sole discretion, the making of such response, but shall review any proposed response in advance with, and consider in good faith the views of, the Purchaser.

6.5. Required Consents. The Company shall use commercially reasonable efforts to promptly obtain the Required Consents of third parties, give notices to third parties and take such other actions as may be necessary or appropriate in order (i) to effect the consummation of the transactions contemplated by this Agreement, (ii) to enable the Company and its Subsidiaries to continue to carry on the Company's businesses immediately after the Closing Date, and (iii) to keep in effect and avoid the breach, violation or termination of any Material Contract. The Company will (i) consult with the Purchaser beforehand regarding the process for seeking such consents and providing such notices, (ii) provide the Purchaser with a reasonable opportunity to review and comment in advance on the forms of such consent requests and notices and (iii) incorporate any reasonable comments thereto made by the Purchaser.

6.6. Notice of Certain Events. The Company and the Sellers shall promptly notify the Purchaser in writing of (i) any event occurring after the date hereof that would render any representation or warranty of the Company contained in Articles III and IV untrue or inaccurate such that the condition set forth in Section 7.1(a) would not be satisfied, (ii) any breach of any covenant or obligation of the Company pursuant to this Agreement or any Ancillary Agreement such that the condition set forth in Section 7.1(b) would not be satisfied, (iii) any Material Adverse Effect, (iv) any Legal Action initiated against the Company or any Sellers, or known by the Company or any Seller to be threatened in writing against the Company, any Seller or any of its directors, officers or employees in their capacity as such, or (v) any change, event, circumstance, condition or effect that would reasonably be expected to cause any of the other conditions set forth in Section 7.1 not to

be satisfied; provided, however, that the delivery of any notice pursuant to this Section 6.6 shall not (i) be deemed to amend or supplement the Disclosure Letter, (ii) be considered in determining whether any representation or warranty is true for purposes of Section 7.1, (iii) cure any breach or non-compliance with any other provision of this Agreement, or (iv) limit the remedies available to the Purchaser or the Purchaser Indemnified Parties.

6.7. Release of Liens. Promptly following the date hereof, the Company shall conduct a search for UCC-1 filings, federal and state Tax Liens on file in the office of the Secretary of State of each State in which a filing would be required under applicable Law in order to perfect any Lien in any of the assets of the Company's business. The Company shall deliver to the Purchaser prior to Closing, a copy of the results of such search and shall cause any Liens in the assets of the Company's business that are identified through such search (other than Permitted Exceptions) to be terminated on or prior to or simultaneously with the Closing (including, all Liens set forth in the Disclosure Letter).

6.8. Employee Benefit Plans. Upon the Purchaser's written request made at least five (5) Business Days in advance of the Closing Date, the Company shall terminate any Employee Benefit Plan (including the Company's 401(k) plan) that the Company is legally entitled to unilaterally terminate no later than the day immediately prior to the Closing Date. If the Purchaser so requests that the Company's Employee Benefit Plans be terminated, the Company's Board of Directors shall adopt resolutions terminating the 401(k) Plan and the Company shall execute an amendment to the 401(k) Plan that is sufficient to assure compliance with all applicable requirements of the Code and regulations thereunder so that the tax-qualified status of the 401(k) Plan shall be maintained at the time of its termination, such resolutions and amendment to be subject to review and approval by the Purchaser's counsel.

6.9. Termination of Contracts. The Company shall use its commercially reasonable efforts to terminate prior to the Closing, the Contracts set forth in Section 6.9 of the Disclosure Letter, which terminations shall be in form and substance satisfactory to the Purchaser; provided, however, that the Company shall not, as a condition to obtaining the consent to any such termination from the applicable counterparty to a Contract, agree to provide additional consideration or otherwise agree to incur an additional liability (beyond that which is already contemplated by the Contract) without the prior written consent of the Purchaser. The Company shall provide the Purchaser with regular updates regarding the status of negotiations with the applicable counterparties and promptly inform the Purchaser of any material communication between the Company and any such counterparty. The Company shall direct negotiations with the applicable counterparties, but shall consult regularly with the Purchaser regarding such negotiations and consider in good faith the input and advice of the Purchaser.

6.10. [Intentionally Deleted].

6.11. Indemnification of Officers and Directors.

(a) All rights to indemnification by the Company existing in favor of all current and former directors and officers of the Company (the "Covered Persons") for their acts and omissions occurring prior to the Closing Date, as provided in the Constitutional Documents of the Company (as in effect as of the date of this Agreement) and as provided in any indemnification agreements between the Company and said Covered Persons (as in effect as of the date of this Agreement) in the forms made available by the Company to the Purchaser prior to the date of this Agreement, shall survive the Closing and the Purchaser shall cause the Company to observe all such rights to indemnification for a period of six (6) years from the Closing Date, and any claim made requesting indemnification pursuant to such indemnification rights within such six (6)-year period shall continue to be subject to this Section 6.12(a) until disposition of such claim.

(b) In the event the Company or any of its successors or assigns (i) consolidates with or merges into any other Person and shall not be the continuing or surviving corporation or entity of such consolidation or merger or (ii) transfers all or substantially all of its properties and assets to any Person, then,

and in each such case, the Purchaser shall ensure that the successors and assigns of the Company, or at the Purchaser's option, the Purchaser, shall assume the obligations set forth in this Section 6.12.

(c) The provisions of this Section 6.12 shall survive the consummation of the transactions contemplated by this Agreement and are (i) intended to be for the benefit of, and will be enforceable by, each of the Covered Persons and their successors, assigns and heirs and (ii) in addition to, and not in substitution for, any other rights to indemnification or contribution that any such Person may have by contract or otherwise. This Section 6.12 may not be amended, altered or repealed after the Closing Date without the prior written consent of the affected Covered Persons.

6.12. Satisfaction of Conditions Precedent. Each of the Sellers and the Company shall use their commercially reasonable efforts to satisfy or cause to be satisfied all of the conditions precedent that are set forth in Section 7.1, and the Purchaser shall use its commercially reasonable efforts to satisfy or cause to be satisfied all of the conditions precedent that are set forth in Section 7.2. Each party hereto shall use its commercially reasonable efforts to cause the transactions contemplated by this Agreement to be consummated in accordance with the terms of this Agreement.

6.13. Preservation of Records. The Purchaser agrees that it shall not, for a period of at least six (6) years following the Closing Date, destroy or cause to be destroyed, or permit the Company or any of its Subsidiaries to destroy or cause to be destroyed, any material books or records relating to the pre-Closing operations of the Company or any of its Subsidiaries without first obtaining the consent of the Sellers (or providing to the Sellers notice of such intent and a reasonable opportunity to copy such books or records, at the Sellers' expense, at least thirty (30) days prior to such destruction). The Purchaser, the Company and its Subsidiaries shall allow the Sellers to have access to such books and records for all reasonable purposes.

6.14. Cooperation with Financing. In order to assist the Purchaser in obtaining the financing, the Company and each Seller shall provide such assistance and cooperation as the Purchaser and its Affiliates may reasonably request, including, but not limited to, cooperation in the preparation of any offering memorandum or similar document, cooperating with initial purchasers or placements agents, making senior management of the Company reasonably available for customary "roadshow" presentations and cooperation with prospective lenders in performing their due diligence, entering into customary agreements with underwriters, initial purchasers or placement agents, performing, environmental assessments, and entering into pledge and security documents, other definitive financing documents or other requested certificates or documents, including a customary certificate of the chief financial officer of the Company with respect to solvency matters, comfort letters of accountants, legal opinions and real estate title documentation.

6.15. Asset Purchase Agreement. Prior to the Closing, the Company shall have entered into the Asset Purchase Agreement with Agama Solutions Inc., a California corporation ("Agama"), in a form reasonably acceptable to the Purchaser and its counsel, pursuant to which the Company will acquire certain assets of Agama on the terms and conditions set forth in the Asset Purchase Agreement.

6.16. Restrictions on Agama's Sale or Dissolution. From and after the Closing Date and continuing until consented to in writing by the Purchaser in its sole discretion, the Sellers shall (i) maintain Agama's corporate existence in good standing, (ii) perform its obligations and satisfy its liabilities when due, including the payment of Taxes and the performance of its obligations under all Contracts (including, the Asset Purchase Agreement and the Excluded Contracts) (iii) maintain adequate cash and liquid assets to pay and perform its liabilities as they become due, (iv) not dissolve or liquidate, or file any voluntary bankruptcy petition and (v) not sell the capital stock or any assets of Agama.

ARTICLE VII
CONDITIONS PRECEDENT TO THE CLOSING

7.1. Conditions to the Obligations of the Purchaser. The obligation of the Purchaser to consummate the transactions contemplated by this Agreement is subject to the fulfillment, on or prior to the Closing Date, of each of the following conditions (any or all of which may be waived by the Purchaser in whole or in part in its sole discretion):

(a) The representations and warranties of the contained in Article III and IV that are (i) qualified as to materiality or Material Adverse Effect shall be true and correct in all respects and (ii) not so qualified shall be true and correct in all material respects, as of the date of this Agreement and as of the Closing Date as though made at and as of the Closing Date, except to the extent such representations and warranties expressly relate to an earlier date (in which case such representations and warranties qualified as to materiality or Material Adverse Effect shall be true and correct in all respects, and those not so qualified shall be true and correct in all material respects, on and as of such earlier date);

(b) The Company and each Seller shall have performed and complied in all material respects with all covenants and agreements required in this Agreement to be performed or complied with by them prior to the Closing Date;

(c) There shall not be issued, enacted or adopted by any Governmental Entity of competent jurisdiction any statute, regulation, enactment, Judgment or Legal Action (whether temporary, preliminary or permanent) that prohibits or renders illegal or imposes limitations on: (i) any material transaction contemplated by this Agreement, or (ii) the Purchaser's right (or the right of any Affiliate of the Purchaser) to conduct the Company's business on or after the Closing;

(d) No Legal Action by any Governmental Entity of competent jurisdiction shall be pending (i) for the purpose or with the probable effect of enjoining or preventing the consummation of any of the transactions contemplated by this Agreement or (ii) seeking any antitrust restraint;

(e) After the date of this Agreement, no event shall have occurred and be in existence and continuing as of the Closing Date that, singularly or in the aggregate, has had a Material Adverse Effect;

(f) There shall have been obtained at or prior to the Closing Date such permits or authorizations, and there shall have been taken all such other actions by any Governmental Entity having competent jurisdiction over the parties and the actions herein proposed to be taken, as may be required to lawfully consummate the transactions contemplated by this Agreement; and

(g) The Sellers shall have, or caused the Company to have, delivered to the Purchaser all of the following documents, certificates and other information:

(i) a certificate signed by the Chief Executive Officer of the Company and the Sellers' Representative (on behalf of the Sellers), in a form and substance reasonably satisfactory to the Purchaser, dated the Closing Date, to the effect that each of the conditions specified above in Sections 7.1(a)-(f) have been satisfied in all respects;

(ii) a certificate of the Secretary or an Assistant Secretary (or equivalent officer) of the Company certifying (A) that attached thereto are true and complete copies of all resolutions adopted by the board of directors and shareholders of the Company authorizing the execution, delivery and performance of this Agreement and the Ancillary Agreements and the consummation of the transactions contemplated hereby and thereby, and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby and thereby, (B) the names and signatures of the officers of the Company authorized to sign this Agreement, the Ancillary Agreements and the other documents to be

delivered hereunder and thereunder, (C) that attached thereto are copies of the certificate of incorporation, bylaws or other organizational documents of the Company, and (D) certificates of good standing with respect to the Company, dated within five (5) days of the Closing Date, from the Secretary of State of the State of California;

(iii) the Closing Statement;

(iv) a copy of a FIRPTA certificate in a form reasonably acceptable to the Purchaser for purposes of satisfying the Purchaser's obligations under Treasury Regulation Section 1.1445-2(c)(3), duly and validly executed by a duly authorized officer of the Company;

(v) evidence, in form and substance reasonably satisfactory to the Purchaser, that the Company has obtained each of the Required Consents;

(vi) the Payoff Letters;

(vii) the Non-Competition and Non-Solicitation Agreements;

(viii) the Subscription Agreements;

(ix) the Resignations;

(x) the Landlord Consents;

(xi) the Certificates, duly endorsed in blank or accompanied by transfer powers;

(xii) the stock transfer book, minute book and corporate seal of the Company and its Subsidiaries;

(xiii) the Subordination Agreements, duly executed and delivered by the Sellers' Representative;

(xiv) the Asset Purchase Agreement, duly executed and delivered by the Company and Agama Solutions

Inc.;

(xv) a true, correct and complete copy of resolutions adopted by the Board of Directors of the Company, certified by the Secretary of the Company, authorizing the termination of each or all of the Company Employee Plans, including the Company's 401(k) plan, requested in writing by the Purchaser to be terminated at least five (5) Business Days prior to the Closing Date; and

(xvi) such other further documents and instruments as counsel for the Sellers and Purchaser mutually agree to be reasonably necessary to consummate the transactions contemplated by this Agreement.

7.2. Conditions to the Obligations of the Sellers. The obligation of the Sellers to consummate the transactions contemplated by this Agreement is subject to the fulfillment, on or prior to the Closing Date, of each of the following conditions (any or all of which may be waived by the Sellers' Representative in whole or in part in its sole discretion):

(a) The representations and warranties of the Purchaser contained in Article V that are (i) qualified as to materiality or Material Adverse Effect shall be true and correct in all respects and (ii) not so qualified shall be true and correct in all material respects, as of the date of this Agreement and as of the Closing Date as though made at and as of the Closing Date, except to the extent such representations and

warranties expressly relate to an earlier date (in which case such representations and warranties qualified as to materiality or Material Adverse Effect shall be true and correct in all respects, and those not so qualified shall be true and correct in all material respects, on and as of such earlier date);

(b) The Purchaser shall have performed and complied in all material respects with all covenants and agreements required in this Agreement to be performed or complied with by them prior to the Closing Date;

(c) There shall not be issued, enacted or adopted by any Governmental Entity of competent jurisdiction any statute, regulation, enactment, order or Legal Action (whether temporary, preliminary or permanent) that prohibits or renders illegal or imposes limitations on any material transaction contemplated by this Agreement.

(d) No Legal Action by any Governmental Entity of competent jurisdiction shall be pending (i) for the purpose or with the probable effect of enjoining or preventing the consummation of any of the transactions contemplated by this Agreement or (ii) seeking any antitrust restraint;

(e) The Purchaser shall have, or caused to have, delivered to the Sellers' Representative or the parties as specified in this Agreement all of the following documents, certificates and other information:

(i) a certificate signed by the Chief Executive Officer of the Purchaser, in a form and substance reasonably satisfactory to the Sellers' Representative, dated the Closing Date, to the effect that each of the conditions specified above in Sections 7.2(a)-(d) have been satisfied in all respects;

(ii) a certificate of the Secretary or an Assistant Secretary (or equivalent officer) of the Purchaser certifying (A) that attached thereto are true and complete copies of all resolutions adopted by the board of directors of the Purchaser authorizing the execution, delivery and performance of this Agreement and the Ancillary Agreements and the consummation of the transactions contemplated hereby and thereby, and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby and thereby and (B) the names and signatures of the officers of the Purchaser authorized to sign this Agreement, the Ancillary Agreements and the other documents to be delivered hereunder and thereunder;

(iii) the Subordination Agreements, duly executed and delivered by the Lenders and the Purchaser;

(iv) the Non-Competition and Non-Solicitation Agreements;

(v) the Subscription Agreements; and

(vi) the payments required to be made pursuant to Section 1.3.

(f) The Purchaser shall have instructed its transfer agent to create a reserve of shares in the amount equal to the Share Consideration, which shall be issued to each Seller in the amounts set forth on Exhibit C.

ARTICLE VIII INDEMNIFICATION

8.1. Survival of the Representations and Warranties. The representations and warranties of the Sellers contained in this Agreement or in any certificate, document or other instrument delivered by or on behalf of the Company or the Sellers pursuant to this Agreement (other than the Fundamental Representations), shall survive for a period of thirty-six (36) months following the Closing Date (the date of

expiration of such thirty-six (36)-month period, the “Expiration Date”); provided, however, that in the event of fraud or intentional misrepresentation with respect to a representation or warranty, such representation or warranty shall survive for the applicable statute of limitations for such a claim; provided, further, that the Fundamental Representations survive until the date that is sixty (60) days after the expiration of all statutes of limitations applicable to such representations and warranties (including all periods of extension); provided, further, that all representations and warranties of the Company and the Sellers shall survive beyond the Expiration Date or other survival periods specified above with respect to any inaccuracy therein or breach thereof if a claim is made hereunder in writing setting forth the specific claim and the basis therefor prior to the expiration of the survival period for such representation and warranty, in which case such representation and warranty shall survive as to such claim until such claim has been finally resolved. The representations and warranties of the Purchaser contained in this Agreement or in any certificate, document or other instrument delivered by or on behalf of the Purchaser pursuant to this Agreement shall survive the Closing and terminate on the Expiration Date; provided, however, that all representations and warranties of the Purchaser shall survive beyond the Expiration Date with respect to any inaccuracy therein or breach thereof if a claim is made hereunder in writing setting forth the specific claim and the basis therefor prior to the Expiration Date, in which case such representation and warranty shall survive as to such claim until such claim has been finally resolved. For the avoidance of doubt, it is the intention of the Parties hereto, and each of the Parties expressly acknowledge and agree, that the foregoing respective survival periods and termination dates supersede any applicable statutes of limitations that would otherwise apply to such representations and warranties.

8.2. Indemnification.

(a) Subject to the other provisions of this Article VIII, the Sellers shall jointly and severally indemnify, defend and hold harmless the Purchaser, the Company, each of the Company’s Subsidiaries, and each of their respective officers, directors, employees, partners, members, agents and Affiliates (the “Purchaser Indemnified Parties”) against any and all Losses, including income and other Taxes, incurred or suffered by any such Purchaser Indemnified Parties directly or indirectly as a result of, with respect to or in connection with:

(i) a breach of, or inaccuracy in, any of the representations or warranties made by the Company or the Sellers in this Agreement (it being agreed that, for purposes of this Article VIII, all qualifications and exceptions relating to materiality, material adverse effect, Material Adverse Effect or words of similar import (but not specific dollar thresholds) shall be disregarded, including for purposes of determining whether or not a breach of a representation or warranty has occurred, determining whether any deductible amounts have been surpassed, or determining the amount of any Losses);

(ii) any failure by the Company to fully perform, fulfill or comply with any covenant set forth herein to be performed, fulfilled or complied with by the Company at or prior to the Closing;

(iii) any failure by the Sellers to fully perform, fulfill or comply with any covenant set forth herein or in any Ancillary Agreement to be performed, fulfilled or complied with by the Sellers at any time before or after Closing;

(iv) any Debt outstanding as of the Closing Date that is not taken into account in determining the Final Cash Amount;

(v) any of the assets acquired, and liabilities accrued, by the Company pursuant to the terms of the Asset Purchase Agreement; or

(vi) any Transaction Expenses that are not taken into account in determining the Final Cash Amount.

(b) Subject to the other provisions of this Article VIII, the Purchaser shall indemnify, defend and hold harmless the Sellers and each of their respective officers, directors, employees, partners, members, agents and Affiliates (the “Seller Indemnified Parties”) against any and all Losses incurred or suffered by any such Seller Indemnified Parties directly or indirectly as a result of, with respect to or in connection with (i) any breach of, or inaccuracy in, any of the representations or warranties made by the Purchaser in this Agreement or (ii) any failure by the Purchaser to fully perform, fulfill or comply with any covenant set forth herein to be performed, fulfilled or complied with by the Purchaser at any time.

8.3. Limitations on Liability.

(a) Subject to Section 8.3(b), the Sellers shall not be required to make any indemnification payment pursuant to Section 8.2(a)(i) for any actual or alleged inaccuracy in or breach of any representation or warranty in this Agreement until such time as the total amount of all Losses (including the Losses arising from such actual or alleged inaccuracy or breach and all other Losses arising from any other actual or alleged inaccuracies or breaches of any representations or warranties) that have been directly or indirectly suffered or incurred by any one or more of the Indemnified Parties, or to which any one or more of the Indemnified Parties has or have otherwise directly or indirectly become subject, exceeds \$25,000 (the “Basket Amount”) in the aggregate. If the total amount of such Losses exceeds the Basket Amount, then the Indemnified Parties shall be entitled to be indemnified against and compensated and reimbursed for the entire amount of such Losses up to the Cap (as defined below), and not merely the portion of such Losses exceeding the Basket Amount.

(b) The limitation set forth in Section 8.3(a) shall not apply (and shall not limit the indemnification or other obligations of any Seller): (i) in the event of intentional misrepresentation or fraud (whether on the part of such Seller, any other Seller, the Company or any Representative of the Company); (ii) to inaccuracies in or breaches of any of the Fundamental Representations; or (iii) to any obligations of the Sellers to indemnify the Indemnified Parties under Sections 8.2(a)(ii)-(a)(v).

(c) Subject to Section 8.3(d), in no event shall the cumulative indemnification obligation pursuant to Section 8.2(a)(i) or Section 8.2(b)(i), respectively, exceed \$3,000,000 (the “Cap”) in the aggregate.

(d) The limitation set forth in Section 8.3(c) shall not apply (and shall not limit the indemnification or other obligations of any Seller): (i) in the event of intentional misrepresentation or fraud (whether on the part of such Seller, any other Seller, the Company or any Representative of the Company); (ii) to inaccuracies in or breaches of any of the Fundamental Representations; or (iii) to any obligations of the Sellers to indemnify the Purchaser Indemnified Parties under Sections 8.2(a)(ii)-(a)(v). Subject to Section 8.3, the total amount of indemnification payments that each Seller that was not directly or indirectly involved in any intentional misrepresentation or fraud can be required to make to the Purchaser Indemnified Parties pursuant to Section 8.2 shall be limited to the aggregate Final Cash Amount such Seller was entitled to receive pursuant to Section 1.3.

(e) Notwithstanding anything to the contrary contained in this Article VIII, there shall be no recovery for any Damage or alleged Damage by the Purchaser under this Article VIII, and the Losses shall not be included in meeting the stated thresholds hereunder, to the extent such item has been included in the calculation of (i) the Closing Date Debt, (ii) the liabilities included in the Closing Date Net Current Assets or (iii) the Transaction Expenses as each have been determined pursuant to Section 1.4 hereof.

8.4. Defense of Third Party Claims.

(a) For purposes of Sections 8.4 and 8.5, a party making a claim for indemnity under Section 8.2 is hereinafter referred to as an “Indemnified Party” and the party against whom such claim is asserted is hereinafter referred to as the “Indemnifying Party.” In the event of the assertion or commencement by any Person of any claim or Legal Proceeding (whether against the Company, the Indemnified Party or any

other Person) with respect to which any Indemnifying Party may become obligated to hold harmless, indemnify, compensate or reimburse any Indemnified Party pursuant to this Article VIII (a “Third Party Claim”), the Indemnified Party shall have the right, at its election, to proceed with the defense of such Third Party Claim on its own with counsel reasonably satisfactory to the Indemnifying Party. If the Indemnified Party so proceeds with the defense of any such Third Party Claim, then: (i) subject to the other provisions of this Article VIII, all reasonable expenses relating to the defense of such Third Party Claim shall be borne and paid exclusively by the Indemnifying Party; (ii) each Indemnifying Party shall make available to the Indemnified Party any documents and materials in such Indemnifying Party’s possession or control that may be necessary to the defense of such Third Party Claim; and (iii) the Indemnified Party shall have the right to settle, adjust or compromise such Third Party Claim; provided, however, that if the Indemnified Party settles, adjusts or compromises any such Third Party Claim without the consent of the Sellers’ Representative, such settlement, adjustment or compromise shall not be conclusive evidence of the amount of Losses incurred by the Indemnified Party in connection with such Third Party Claim (it being understood that if the Indemnified Party requests that the Indemnifying Party consent to a settlement, adjustment or compromise, the Indemnifying Party shall not unreasonably withhold or delay such consent).

(b) If the Indemnified Party does not elect to proceed with the defense of any such Third Party Claim, the Indemnifying Party may proceed with the defense of Third Party Claim with counsel reasonably satisfactory to the Indemnified Party; provided, however, that the Indemnifying Party may not settle, adjust or compromise any such Third Party Claim without the prior written consent of the Indemnified Party (which consent may not be unreasonably withheld or delayed). The Indemnified Party shall give the Indemnifying Party prompt notice of the commencement of any such Third Party Claim against the Indemnified Party; provided, however, that any failure on the part of the Indemnified Party to so notify the Indemnifying Party shall not limit any of the obligations of the Indemnifying Party under this Article VIII (except to the extent such failure materially prejudices the defense of such Third Party Claim). The Indemnified Parties and the Indemnifying Parties agree that any factual findings or legal conclusions by a court of competent jurisdiction or arbitration panel in the resolution of a Third Party Claim shall be dispositive, final and binding with respect to any dispute between the Indemnified Parties and Indemnifying Parties concerning their respective liability to one another for an indemnification claim under this Article VIII.

8.5. Indemnification Claims Procedure.

(a) If any Indemnified Party has or claims in good faith to have incurred or suffered, or believes in good faith that it may incur or suffer, Losses for which it is or may be entitled to be held harmless, indemnified, compensated or reimbursed under this Article VIII or for which it is or may be entitled to a monetary remedy (such as in the case of a claim based on fraud or intentional misrepresentation), such Indemnified Party may deliver a notice of claim (a “Notice of Claim”) to the Indemnifying Party. Each Notice of Claim shall: (i) state that such Indemnified Party believes in good faith that such Indemnified Party is or may be entitled to indemnification, compensation or reimbursement under this Article VIII or is or may otherwise be entitled to a monetary remedy; (ii) contain a brief description of the facts and circumstances supporting the Indemnified Party’s claim; and (iii) if practicable, contain a good faith, non-binding, preliminary estimate of the aggregate amount of the actual and potential Losses that the Indemnified Party believes have arisen and may arise as a result of such facts and circumstances (the aggregate amount of such estimate, as it may be modified by such Indemnified Party in good faith from time to time, being referred to as the “Claimed Amount”).

(b) During the 20-day period commencing upon delivery by an Indemnified Party to the Indemnifying Party of a Notice of Claim (the “Dispute Period”), the Indemnifying Party may deliver to the Indemnified Party who delivered the Notice of Claim a written response (the “Response Notice”) in which the Indemnifying Party: (i) agrees that the full Claimed Amount is owed to the Indemnified Party; (ii) agrees that part, but not all, of the Claimed Amount (the “Agreed Amount”) is owed to the Indemnified Party; or (iii) indicates that no part of the Claimed Amount is owed to the Indemnified Party. If the Response Notice is delivered in accordance with clause (ii) or (iii) of the preceding sentence, the Response Notice shall also

contain a brief description of the facts and circumstances supporting the Indemnifying Party's claim that only a portion or no part of the Claimed Amount is owed to the Indemnified Party, as the case may be. Any part of the Claimed Amount that is not agreed to be owed to the Indemnified Party pursuant to the Response Notice (or the entire Claimed Amount, if the Indemnifying Party asserts in the Response Notice that no part of the Claimed Amount is owed to the Indemnified Party) is referred to in this Agreement as the "Contested Amount" (it being understood that the Contested Amount shall be modified from time to time to reflect any good faith modifications by the Indemnified Party to the Claimed Amount). If a Response Notice is not received by the Indemnified Party prior to the expiration of the Dispute Period, then the Indemnifying Party shall be conclusively deemed to have agreed that the full Claimed Amount is owed to the Indemnified Party.

(c) If: (i) the Indemnifying Party delivers a Response Notice to the Indemnified Party agreeing that the full Claimed Amount is owed to the Indemnified Party; or (ii) the Indemnifying Party does not deliver a Response Notice to the Indemnified Party during the Dispute Period, then the Indemnifying Party shall pay within 10 Business Days following such earlier date shall the full Claimed Amount.

(d) If the Indemnifying Party delivers a Response Notice to the Indemnified Party during the Dispute Period agreeing that less than the full Claimed Amount is owed to the Indemnified Party, then the Indemnifying Party shall pay within 10 Business Days following the date of such Response Notice, such Agreed Amount.

(e) If the Indemnifying Party delivers a Response Notice to the Indemnified Party during the Dispute Period indicating that there is a Contested Amount, the Indemnifying Party and the Indemnified Party shall attempt in good faith to resolve the dispute related to the Contested Amount. If the Indemnified Party and the Indemnifying Party resolve such dispute, then their resolution of such dispute shall be binding on the Indemnifying Party and such Indemnified Party and a settlement agreement stipulating the amount owed to the Indemnified Party (the "Stipulated Amount") shall be signed by the Indemnified Party and the Indemnifying Party. The Indemnifying Party shall pay within 10 Business Days following the execution of such settlement agreement (or such shorter period of time as may be set forth in the settlement agreement), the Stipulated Amount.

(f) In the event that there is a dispute relating to any Notice of Claim or Contested Amount (whether it is a matter between the Indemnified Party, on the one hand, and the Indemnifying Party on the other hand, or it is a matter that is subject to a claim or Legal Proceeding asserted or commenced by a third party brought against the Indemnified Party or the Company), such dispute shall be settled in accordance with the Accounting Arbitrator provisions set forth in Section 1.4(b). The Indemnifying Party shall pay within 10 Business Days following the delivery of such final decision of the Accounting Arbitrator the amounts determined by the Accounting Arbitrator.

8.6. No Contribution. Each Seller waives, and acknowledges and agrees that such Seller shall not have and shall not exercise or assert (or attempt to exercise or assert), any right of contribution, right of indemnity or advancement of expenses or other right or remedy against the Company in connection with any indemnification obligation or any other liability to which such Seller may become subject under or in connection with this Agreement or any other agreement or document delivered to the Purchaser in connection with this Agreement. Effective as of the Closing, each Seller expressly waives and releases any and all rights of subrogation, contribution, advancement, indemnification or other claim against the Purchaser or the Company.

8.7. Right of Setoff. In the event that the Purchaser is entitled to any payments in respect to indemnification for Losses under Section 8.2(a), the Purchaser shall, in addition to any other remedies provided for herein or available to the Purchaser at law or in equity, be entitled to offset the amount of such payments or Losses against any amounts due and owed to the Sellers, including, but not limited to, any amount of the Earnout Consideration that might become due and payable pursuant to Section 1.5.

8.8. Exercise of Remedies Other Than by the Purchaser. No Indemnified Party (other than the Purchaser or any successor thereto or assign thereof) shall be permitted to assert any indemnification claim or exercise any other remedy under this Agreement unless the Purchaser (or any successor thereto or assign thereof) shall have consented to the assertion of such indemnification claim or the exercise of such other remedy.

8.9. Purchase Price Adjustment. All amounts paid under this Article VIII shall, to the extent permitted by Law, be treated as an adjustment to the consideration being paid for the Shares.

ARTICLE IX TAX MATTERS

9.1. Taxes and Tax Refunds for Pre-Closing Tax Periods.

(a) The Sellers shall jointly and severally indemnify the Purchaser Indemnified Parties against, and be liable for any and all Losses (all herein referred to as "Tax Losses") arising out of, resulting from or in any way related to:

(i) any Taxes attributable to any Pre-Closing Tax Period ("Pre-Closing Taxes") imposed on the Company, any of its Subsidiaries, including, for the avoidance of doubt, all Transaction Payroll Taxes; provided, however, that payments in respect of any particular Pre-Closing Taxes will be required to be made only to the extent of the liability for such Pre-Closing Taxes which (A) is in excess of the amount of such Pre-Closing Taxes actually paid by the Company or any of its Subsidiaries on or prior to the Closing Date and (B) has not already been reflected as a current liability in the calculation of Closing Net Current Assets; or

(ii) any liability of the Company or any of its Subsidiaries as a result of the applicability of Treasury Regulation Section 1.1502-6 or similar provisions of foreign, state or local Tax law for Taxes of any affiliated group (or any member thereof other than the Company and its Subsidiaries) of which the Company or any of its Subsidiaries is or was a member on or prior to the Closing Date.

(b) Subject to the resolution of any Tax contest pursuant to Section 9.4, upon notice (the "Tax Loss Notice") from the Purchaser to the Sellers that a Purchaser Indemnified Party is entitled to an indemnification payment for a Tax Loss pursuant to Section 9.1(a), which Tax Loss Notice shall state with reasonable specificity the nature of such Tax Loss, the date (if any) such item was paid or properly accrued, and the computation of the amount of such Tax Loss, the Sellers shall, except to the extent that such Tax Loss, or the Sellers' liability with respect thereto, is disputed, jointly and severally pay to the Purchaser Indemnified Party the amount of such Tax Loss set forth in such Tax Loss Notice by wire transfer of immediately available funds within five (5) Business Days of receipt of such Tax Loss Notice.

(c) Notwithstanding anything to the contrary contained in this Agreement, the indemnification obligations of the Sellers under Section 9.1(a) shall survive the Closing until the end of the applicable statutes of limitations. With respect to any indemnification obligation for any Tax for which a Taxing Authority asserts a claim within ninety (90) days before the end of the applicable statute of limitations, a the Purchaser Indemnified Party shall be treated as having provided timely notice to the Sellers by providing written notice to the Sellers on or before the ninetieth (90th) day after the Purchaser Indemnified Party's receipt of a written assertion of the claim by the Taxing Authority.

(d) The Sellers shall be entitled to receive any refund of Taxes (including refunds paid by credit against Taxes of the Purchaser, the Company or any of its Subsidiaries) attributable to any Pre-Closing Tax Period (other than any refund resulting from the carryback of any net operating loss or other Tax attribute from a Tax Period (or portion thereof) beginning after the Closing Date to a Pre-Closing Tax Period) and any overpayment of estimated Pre-Closing Taxes by the Company or any of its Subsidiaries, plus any

interest on any such refund or credits received from the applicable Taxing Authority, *minus* any reasonable costs and expenses incurred by the Purchaser, the Company or any of its Subsidiaries in connection with the procurement of such refund or credit. The Purchaser shall, and shall cause the Company and its Subsidiaries to, cooperate with the Sellers in obtaining any refunds or credits which the Sellers are entitled to receive under this Section 9.1. Such cooperation shall include (i) informing the Sellers if and the extent that the Purchaser, the Company or any Subsidiary of the Company becomes aware of the possible availability of any such refund or credit, (ii) filing claims or amended Tax Returns at the request of the Sellers to obtain any such refund or credit and (iii) paying the amount of such credit or refund (net of such costs and expenses) over to the Sellers (in accordance with their respective Equity Ownership Percentages and the payment instructions as provided by the Sellers) by wire transfer within five (5) Business Days after the receipt thereof.

(e) Except with respect to any Taxes attributable to a breach of the Tax Representation, the Purchaser shall be responsible for and shall pay any Taxes attributable to the operations of the Company or any of its Subsidiaries attributable to that portion of any Straddle Period beginning after the Closing Date as well as for any Taxes attributable to the operations of the Company or any of its Subsidiaries for any Tax period beginning after the Closing Date. The Purchaser shall be entitled to any refund of Taxes attributable to any Straddle Period to the extent such refund is attributable to the portion of such Straddle Period beginning after the Closing Date.

9.2. Allocation of Straddle Period Taxes. For purposes of this Article IX, in order to apportion appropriately any Taxes relating to a Straddle Period, the Parties shall, to the extent permitted or required under applicable Law, treat the Closing Date as the last day of the taxable year or period of the Company and all of its Subsidiaries for all Tax purposes. In any case where applicable Law does not permit the Company or any of its Subsidiaries to treat the Closing Date as the last day of the taxable year or period, the portion of any Taxes that are allocable to the portion of the Straddle Period ending on the Closing Date shall be (i) in the case of Taxes that are imposed on a periodic basis (for example, property taxes), deemed to be the amount of such Taxes for the entire period *multiplied by* a fraction, the numerator of which is the number of calendar days in the Straddle Period ending on (and including) the Closing Date and the denominator of which is the number of calendar days in the entire relevant Straddle Period, and (ii) in the case of Taxes not described in clause (i), deemed equal to the amount that would be payable if the taxable year or period ended on the Closing Date (such as taxes that are either based on or related to income or receipts or imposed in connection with any sale or other transfer or assignment of property).

9.3. Tax Returns.

(a) The Purchaser agrees that the Sellers shall be responsible for, and the Purchaser shall cooperate (and cause the Company and its Subsidiaries to cooperate) with the Sellers in the preparation and filing, when due (taking into account all extensions properly obtained), of all Tax Returns that are required to be filed by or with respect to the Company or any Subsidiary of the Company for any taxable period ending on or prior to the Closing Date; provided that the Sellers shall deliver to the Purchaser a draft copy of any Tax Return for a Pre-Closing Tax Period at least thirty (30) days prior to the due date thereof (taking into account all extensions properly obtained) for the Purchaser's review and comment, and the Sellers and the Purchaser shall cooperate in good faith to determine whether any such Tax Return for any Straddle Period should reflect the Purchaser's comments (if any). The Sellers shall jointly and severally pay the expense for the preparation and filing of all Tax Returns that are required to be filed by or with respect to the Company or any Subsidiary of the Company for any taxable period ending on or prior to the Closing Date.

(b) The Purchaser shall prepare and file or cause to be prepared and filed when due (taking into account all extensions properly obtained) all Tax Returns for any Straddle Periods that are required to be filed by or with respect to the Company or any of its Subsidiaries, provided that any Tax Return for a Straddle Period shall be submitted to the Sellers at least thirty (30) calendar days prior to its due date (taking into account all extensions properly obtained) for the Sellers' review and comment, which comments shall be

discussed by the Purchaser with the Sellers to determine in good faith whether the Tax Returns for the Straddle Period should reflect the Sellers' comments.

(c) Any Taxes owed in respect of such Tax Returns for any Pre-Closing Tax Period which are prepared and filed pursuant to this Section 9.3 shall be paid by the Sellers at least two (2) Business Days prior to the due dates for the payment of such Taxes.

(d) Except to the extent otherwise required by applicable Law, neither the Purchaser, the Company nor any of the Subsidiaries may carry back for United States federal, state, local or non-United States Tax purposes to any taxable year or period, or portion thereof, ending on or before the Closing Date any operating losses, net operating losses, capital losses, Tax credits or similar items relating solely to the operation of the Company or any of its Subsidiaries arising in a taxable period (or portion thereof) occurring on or after the Closing Date without the Sellers' consent, which such consent may be withheld, conditioned or delayed for any reason.

9.4. Tax Contests.

(a) If the Purchaser or any of its Affiliates or the Sellers receive notice from any Governmental Entity of any proposed or actual audit, examination, adjustment, claim, assessment or demand concerning the amount of Taxes of the Company or any of its Subsidiaries with respect to any Pre-Closing Tax Period, such Party shall inform the other thereof within ten (10) Business Days after receipt of such notice. No failure or delay in providing such notice shall reduce or otherwise affect the obligations or liabilities of any Party hereto, except to the extent such failure or delay adversely affects the recipient Party's ability to defend against any liability or claim with respect to such Taxes. Any notice shall be accompanied by a copy of any written notice or other document received from the applicable Governmental Entity with respect to such matter.

(b) Except as otherwise provided in this Section 9.4, the Sellers shall have the sole right to control, at the expense of the Sellers, the contest of any audit, dispute or administrative, judicial or other proceeding relating to the Taxes of the Company or any of its Subsidiaries for any taxable period ending on or before the Closing Date so long as (i) the Sellers notify the Purchaser in writing within fifteen (15) days after the Purchaser (or the Purchaser's Affiliate) has given notice of such claim that Sellers will indemnify the Purchaser Indemnified Parties from and against the entirety of any Tax Losses the Purchaser Indemnified Parties may suffer resulting from, arising out of, relating to, in the nature of, or caused by the claim, and (ii) the Sellers conduct the defense of the claim actively and diligently. If any of the conditions in the preceding sentence are or become unsatisfied, (A) the Purchaser may defend against, and, with the consent of the Sellers (which shall not be unreasonably withheld or delayed), consent to the entry of any judgment or enter into any settlement with respect to, the claim in any manner that it may deem appropriate, (B) the Sellers will reimburse the Purchaser for the reasonable costs of defending against the claim (including attorneys', accountants' and experts' fees and disbursements) and (C) the Sellers will remain responsible for any Tax Losses the Purchaser Indemnified Parties may suffer to the fullest extent provided in this Article IX. If the Sellers elect to control any such contest, the Purchaser may, at its expense, participate in such contest. The Purchaser shall have the sole right to control, at its expense, the contest of any audit, dispute or administrative, judicial or other proceeding relating to the Taxes of the Company or any of its Subsidiaries for any Straddle Period or for any period commencing after the Closing Date. If the Purchaser elects to control any such contest relating to any Straddle Period, the Sellers may, at their expense, participate in such contest. No audit, dispute or administrative, judicial or other proceeding may be settled (i) in the case of any such contest relating to a taxable period ending on or before the Closing Date by Sellers without the Purchaser's prior written consent if such settlement would have an adverse impact on the Purchaser or any of its Affiliates, or (ii) in the case of any such contest relating to a Straddle Period, by the Purchaser without the Sellers' prior written consent if such settlement would have an adverse impact on any Seller; provided, however, that no such consent by the Sellers or the Purchaser shall be unreasonably withheld or delayed.

9.5. Assistance and Cooperation. The Sellers and the Purchaser shall furnish or cause to be furnished to each other, upon request, as promptly as practicable, such information (including access to books and records) and assistance relating to the Company and its Subsidiaries as is reasonably requested for the filing of any Tax Returns, for the preparation of any audit, for the filing of Tax refund claims or amended Tax Returns and for the prosecution or defense of any Tax claim. The Purchaser shall, and shall cause the Company and its Subsidiaries to, preserve and keep all books and records with respect to Taxes and Tax Returns of the Company and its Subsidiaries until the expiration of the applicable statute of limitations. Any information obtained under this Section 9.5 shall be kept confidential except (i) as may be otherwise necessary in connection with the filing of Tax Returns or claims for refund or in conducting an audit or other proceeding or (ii) with the consent of the Party in possession of such information.

9.6. Transfer Taxes. The Purchaser, on the one hand, and the Sellers, on the other hand, shall each be responsible for one-half of (i) any and all transfer, documentary, sales, use, stamp, registration and other Taxes and fees payable in connection with the consummation of the transactions contemplated by this Agreement and (ii) the costs of filing all necessary Tax Returns and other documentation with respect to all such Taxes and fees. The Purchaser shall file all necessary Tax Returns and other documentation with respect to, and pay when due, all such transfer, documentary, sales, use, stamp, registration and other Taxes and fees, and, if required by Law, the Sellers shall join in the execution of any such Tax Returns and documentation. The Sellers shall jointly and severally pay to the Purchaser the Taxes, fees and costs for which the Sellers are responsible under this Section 9.6 by wire transfer of immediately available funds at least two (2) Business Days prior to the applicable due dates.

9.7. Treatment of Payments. All amounts paid under this Article IX shall, to the extent permitted by Law, be treated for all purposes as an adjustment to the consideration being paid for the Shares.

ARTICLE X DEFINITIONS; CONSTRUCTION

10.1. Definitions. For the purposes of this Agreement:

“2017 Earnout Period” means October 1, 2016 through September 30, 2017.

“2018 Earnout Period” means October 1, 2017 through September 30, 2018.

“2019 Earnout Period” means October 1, 2018 through September 30, 2019.

“Accounting Arbitrator” means a recognized firm of independent accountants selected by mutual agreement of the Purchaser and the Sellers.

“Acquisition Proposal” means with respect to the Company, any agreement, offer, proposal or bona fide indication of interest (other than this Agreement or any other offer, proposal or indication of interest by the Purchaser), or any public announcement of intention to enter into any such agreement or of (or intention to make) any offer, proposal or bona fide indication of interest, relating to, or involving: (i) any acquisition or purchase from the Company, or from the Sellers, by any Person or group of more than a 10% interest in the total outstanding voting securities of the Company or any tender offer or exchange offer that if consummated would result in any Person or group beneficially owning 10% or more of the total outstanding voting securities of the Company, or any merger, consolidation, business combination or similar transaction involving the Company; (ii) any sale, lease, mortgage, pledge, exchange, transfer, license (other than in the ordinary course of business) or disposition of more than 10% of the assets of the Company in any single transaction or series of related transactions; or (iii) any liquidation or dissolution of the Company, or any extraordinary dividend or distribution, whether of cash or other property.

“Affiliate” means, with respect to the Person to which it refers, a Person that directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with, such Person. For the purpose of this definition, the term “control” of a Person means the power to direct, or cause the direction of, the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise, and the terms and phrases “controlling,” “controlled by” and “under common control” have correlative meanings.

“Agama” is defined in Section 6.15.

“Agreed Amount” is defined in Section 8.5(b).

“Agreement” is defined in the Preamble.

“Ancillary Agreements” means all agreements, instruments or documents required or expressly provided under this Agreement to be executed and delivered in connection with the transactions contemplated by this Agreement, including the Asset Purchase Agreement, the Resignations, the Non-Competition and Non-Solicitation Agreements, the Excluded Contracts, the Subordination Agreements, and the Subscription Agreements.

“Anti-Terrorism Law” means any Law relating to terrorism or money-laundering, including Executive Order No. 13224 and the USA Patriot Act.

“Asset Purchase Agreement” means that certain Asset Purchase Agreement, dated as of November 3, 2016, by and between the Company and Agama Solutions Inc.

“Balance Sheet Date” is defined in Section 3.7(a).

“Base Cash Amount” means Four Million Four Hundred Thirty Thousand Seven Hundred Forty Dollars and Seventy-Six Cents (\$4,430,740.76).

“Basket Amount” is defined in Section 8.3(a).

“Business Day” means any day of the year on which national banking institutions in the State of California are open to the public for conducting business and are not required to close.

“Business Model” means the current business model being operated by the Company which focuses on a training model involving students.

“Business Plan” is defined in Section 1.5(e).

“Cap” is defined in Section 8.3(c).

“Cause” shall include the following, as determined in the sole discretion of the Purchaser:

- (a) commission by the Seller of any acts involving fraud or commission by the Seller of a felony;
- (b) the Seller’s failure or refusal to perform adequately the Seller’s duties and responsibilities hereunder and such failure or refusal shall have continued for a period of twenty (20) days following written notice from the Purchaser; or
- (c) material breach of the Seller of any of the Seller’s obligations under any agreement between the Seller and the Company, including, without limitation, the Non-Competition and Non-Solicitation

Agreements, the Subscription Agreements or any agreement or covenant under this Agreement or any Ancillary Agreement.

“CERCLA” means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended.

“Certificates” means, collectively, the stock certificates evidencing the Shares.

“Change in Control” means, (a) a sale of all or substantially all of the Purchaser’s assets to any Person where Existing Management does not hold management positions immediately after such sale; (b) a merger, consolidation or other capital reorganization or business combination transaction of the Purchaser with or into another corporation, limited liability company or other entity (other than a wholly-owned subsidiary of the Purchaser) where Existing Management does not hold management positions immediately after such merger, consolidation, reorganization or business combination; or (c) the consummation of a transaction, or series of related transactions, in which any “person” (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becomes the “beneficial owner” (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of all of the Purchaser’s then outstanding voting securities and Existing Management ceases to hold management positions immediately after such transaction or series of transactions. Notwithstanding the foregoing, a transaction shall not constitute a Change of Control if its purpose is to (i) change the jurisdiction of the Purchaser’s incorporation, (ii) create a holding company that will be owned in substantially the same proportions by the persons who hold the Purchaser’s securities immediately before such transaction, or (iii) obtain funding for the Purchaser in a financing that is approved by the Purchaser’s Board.

“Claimed Amount” is defined in Section 8.5(a).

“Closing” is defined in Section 2.1.

“Closing Date” is defined in Section 2.1.

“Closing Debt” means the aggregate amount of all outstanding Debt as of 12:01 a.m., Pacific time, on the morning of the Closing Date (including such Debt to be paid or satisfied on the Closing Date in accordance with the Payoff Letters).

“Closing Net Current Assets” means, as of 12:01 a.m., Pacific time, on the morning of the Closing Date, the Net Current Assets Target *minus* Closing Extraordinary Liabilities.

“Closing Extraordinary Liabilities” means, as of 12:01 a.m., Pacific time, on the morning of the Closing Date, any liabilities of the Company incurred since July 1, 2016 outside of the ordinary course of business.

“Closing Statement” is defined in Section 1.3(a).

“Code” means the U.S. Internal Revenue Code of 1986, as amended.

“Company” is defined in the Preamble.

“Company Balance Sheet” is defined in Section 3.7(a).

“Company Employee Plan” means any plan, program, policy, practice, Contract, agreement or other arrangement (written or oral) providing for deferred compensation, profit sharing, bonus, severance, change-of-control payments, termination pay, performance awards, stock option, share appreciation right, phantom equity award or other stock-related awards, fringe benefits, flexible spending, group or individual health, dental, medical, life insurance, survivor benefit or other welfare, pension or other employee benefits or

remuneration of any kind, whether formal or informal, funded or unfunded, including each “employee benefit plan” within the meaning of Section 3(3) of ERISA, whether or not subject to ERISA, which is or has been sponsored, maintained, contributed to, or required to be contributed to, by the Company, any Subsidiary of the Company or any of their respective ERISA Affiliates for the benefit of any Employee, director or consultant, or pursuant to which the Company, any Subsidiary of the Company or any of their respective ERISA Affiliates has or may have any obligation or liability, contingent or otherwise.

“Company Financial Statements” is defined in Section 3.7(a).

“Company Intellectual Property” means any and all Intellectual Property that is (i) used by the Company and its Subsidiaries in their businesses as currently conducted or proposed to be conducted or (ii) incorporated in, forming any part of or used to provide any of the Company or any of its Subsidiaries’ services.

“Company Material Contracts” is defined in Section 3.13(b).

“Company’s Knowledge” (including any derivation thereof such as “known” or “knowing”) means the actual knowledge of any of the Sellers after inquiry of Persons reporting directly to them with respect to the matter in question.

“Confidential Information” is defined in Section 11.16.

“Confidentiality Agreement” means the Confidentiality Agreement between the Company and the Purchaser, as amended from time to time.

“Consents” means approvals, consents (including negative consents), waivers, filings, authorizations, licenses, permits, notices, reports or similar items.

“Constitutional Documents” means, as to any Person, the constitutional or organizational documents of such Person, including any charter, certificate or articles of incorporation, certificate of formation, articles of association, bylaws, trust instrument, partnership agreement, limited liability company agreement or similar document.

“Contested Amount” is defined in Section 8.5(b).

“Contract” means any written or oral agreement, contract, mortgage, indenture, lease, license, instrument, document, obligation or commitment that is legally binding, including all amendments, modifications and supplements thereto, provided, however, that the term Contract does not include purchase orders entered into in the ordinary course of business.

“Covered Persons” is defined in Section 6.12(a).

“Debt” means, without duplication, (i) any indebtedness of the Company or any of its Subsidiaries for borrowed money and accrued but unpaid interest, premiums and penalties relating thereto (but excluding trade accounts payable and other accrued current liabilities arising in the ordinary course of business to the extent that such trade payables and other accrued current liabilities are included in the calculation of Closing Net Current Assets), (ii) any indebtedness of the Company or any of its Subsidiaries evidenced by a note, bond, debenture or other similar security, (iii) any amount outstanding under letters of credit or similar credit transactions or obligations (provided, however, for the avoidance of doubt, and notwithstanding anything to the contrary contain herein, the term “Debt” shall not include any standby letters of credit or any undrawn letters of credit), (iv) any indebtedness under interest rate, commodity or currency swap, hedge or similar credit transactions, (v) any indebtedness for the deferred purchase price of goods or services (other than trade payables incurred in the ordinary course of business) or conditional sale obligations, (vi) all obligations under

leases to which the Company or any of its Subsidiaries are a party and which have been or are required to be recorded as capitalized leases under GAAP, and (vii) any indebtedness or obligations referred to in the foregoing clauses (i) through (vi) of any Person which is either guaranteed by, or secured by a Lien upon any property or asset owned by, the Company or any of its Subsidiaries.

“Disclosure Letter” is defined in the preamble to Article III.

“Dispute Period” is defined in Section 8.5(b).

“Disputed Matters” is defined in Section 2.2(c).

“Earnout Consideration” means the total aggregate earnout amount paid by the Purchaser to the Sellers pursuant to Section 1.5 and Exhibit B.

“EBITDA” means, for the 2017 Earnout Period, 2018 Earnout Period and 2019 Earnout Period, respectively, the Company’s earnings before interest, tax, depreciation and amortization calculated consistent with past practice, calculated consistent with past practice as set forth on Exhibit D.

“EBITDA Floor” means, for the 2017 Earnout Period, 2018 Earnout Period and 2019 Earnout Period, respectively, the EBITDA Floor set forth on Exhibit B hereto.

“Employee” means any current, former, or retired employee of the Company or any of its Subsidiaries.

“Employee Shareholders” mean, collectively, Pankaj Kalra and Khannan Sankaran.

“Environmental Claims” is defined in Section 3.18(b).

“Environmental Law” means any and all Laws and Permits issued, promulgated or entered into by any Governmental Entity relating to the environment, the protection or preservation of human health or safety, including the health and safety of employees, the preservation or reclamation of natural resources, or the treatment, storage, transport, disposal, arrangement for transport or disposal, management, Release or threatened Release of, or exposure to, Hazardous Materials, in each case as in effect on the date hereof and as may be issued, promulgated or amended from time to time.

“Equity Interest” means, with respect to any Person, any outstanding shares of capital stock, subscriptions, options, calls, warrants or other rights to acquire capital stock, whether or not currently exercisable.

“Equity Ownership Percentage” means, for each Seller, an amount equal to the quotient of (i) the number of Shares held by such Seller immediately prior to the Closing *divided by* (ii) the number of Shares outstanding (excluding treasury shares) immediately prior to the Closing; provided, that the total of all such percentages shall equal 100%. As of the date of this Agreement, the Equity Ownership Percentages of each Seller is set forth opposite such Seller’s name on Exhibit A hereto.

“Equity Securities” means, with respect to any Person, any of its capital stock, partnership interests (general or limited), limited liability company interests, trust interests or other securities which entitle the holder thereof to participate in the earnings of such Person or to receive dividends or distributions on liquidation, winding up or dissolution of such Person, or to vote for the election of directors or other management of such Person, or to exercise other rights generally afforded to shareholders of a corporation.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“ERISA Affiliate” means any trade or business, whether or not incorporated, that together with the Company would be deemed a “single employer” within the meaning of Section 4001(b)(i) of ERISA.

“Estimated Closing Debt” is defined in Section 2.2(a).

“Estimated Closing Net Current Assets” is defined in Section 1.3(a)(i).

“Estimated Cash Amount” means an amount equal to (i) the Base Cash Amount, *minus* (ii) the Estimated Unpaid Transaction Expenses, *minus* (iii) the Estimated Closing Debt, *minus* (iv) the amount, if any, by which the Estimated Closing Net Current Assets is less than the Net Current Asset Target.

“Estimated Unpaid Transaction Expenses” is defined in Section 1.3(a)(i).

“Excluded Contracts” means those contracts of Agama set forth on Exhibit B to the Asset Purchase Agreement.

“Executive Order No. 13224” shall mean the Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001, relating to “Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism”, as amended.

“Existing Management” means Nandu Thonadvadi and Dhru Desai.

“Expiration Date” is defined in Section 8.1.

“FCPA” is defined in Section 3.23(b).

“Final Closing Statement” is defined in Section 1.4(a).

“Final Cash Amount” means an amount equal to (i) the Base Cash Amount, *minus* (ii) the Unpaid Transaction Expenses, *minus* (iii) the Closing Debt, *plus* (iv) the Closing Cash, *minus* (v) the amount, if any, by which the Closing Net Current Assets is less than the Net Current Asset Target.

“Fundamental Representations” means the representations and warranties of the Sellers contained in Section 3.1 (Organization and Qualification of the Company), Section 3.2 (Organization and Qualification of Subsidiaries), Section 3.3 (Capitalization), Section 3.4 (Authority), Section 3.5(b) (No Conflict with Constitutional Documents), Section 3.14 (Litigation), Section 3.16 (Permits) Section 3.18 (Environmental Matters), Section 3.19 (Employment Matters), Section 3.20 (Employee Benefit Plans), Section 3.21 (Tax Matters), Section 3.25 (Brokers’ and Finders’ Fees), Section 4.1 (Organization of the Sellers), Section 4.2 (Authority), Section 4.3(a) (No Conflict with Constitutional Documents), and Section 4.6 (Title to the Shares).

“GAAP” means generally accepted accounting principles effective in the United States as in effect on the date of this Agreement.

“Good Reason” means the occurrence of any of the following, in each case without the Seller’s consent:

(a) a material reduction in the Seller’s base salary other than a general reduction in base salary that affects all similarly situated employees in substantially the same proportions;

(b) a relocation of the Seller’s principal place of employment by more than 50 miles;

(c) any material breach by the Company of any material provision of any agreement between the Seller and the Company;

(d) a material, adverse change in the Seller's authority, duties, or responsibilities (other than temporarily while the Seller is physically or mentally incapacitated or as required by applicable law or other than a change in the employment status of Ashish Sanan in accordance with the terms of [Section 1.5\(d\)](#)); or

(e) a material alteration of the Business Model unless agreed to by the Purchaser and a majority of the Sellers who, at such time, continue to have an employment or consulting relationship with the Company.

“[Governmental Entity](#)” means any court, administrative agency or commission or other federal, state, county, local or foreign governmental entity, instrumentality, agency or commission.

“[Hazardous Material](#)” means those materials, substances, biogenic materials or wastes that are regulated by, or form the basis of liability under, any Environmental Law, including polychlorinated biphenyls, pollutants, solid wastes, explosive, radioactive or regulated materials or substances, hazardous or toxic materials, substances, wastes or chemicals, petroleum (including crude oil or any fraction thereof) or petroleum distillates, asbestos or asbestos containing materials, materials listed in 49 C.F.R. Section 172.101 and materials defined as hazardous substances pursuant to Section 101(14) of CERCLA.

“[ICE](#)” is defined in [Section 3.19\(d\)](#).

“[Indemnified Party](#)” is defined in [Section 8.4\(a\)](#).

“[Indemnifying Party](#)” is defined in [Section 8.4\(a\)](#).

“[Intellectual Property](#)” means any and all patents and patent applications; trademarks, service marks, trade names, brand names, trade dress, slogans, logos, design rights, other proprietary indicia of goods and services worldwide and Internet domain names and uniform resource locators, and the goodwill associated with any of the foregoing; inventions (whether patentable or not), industrial designs, discoveries, improvements, ideas, designs, models, formulae, patterns, compilations, data collections, drawings, blueprints, mask works, devices, methods, techniques, processes, know-how, proprietary information, customer lists, software, technical information and trade secrets; copyrights, copyrightable works, and rights in databases and data collections; original works of authorship in any medium of expression, whether or not published or registered, including source code, object code and software development documentation; other intellectual or industrial property rights and foreign equivalent or counterpart rights and forms of protection of a similar or analogous nature to any of the foregoing or having similar effect in any jurisdiction throughout the world; and registrations and applications for registration of any of the foregoing, including any renewals, extensions, continuations (in whole or in part), divisionals, re-examinations or reissues or equivalent or counterpart thereof; and all documentation and embodiments of the foregoing.

“[Interim Financial Statements](#)” is defined in [Section 3.7\(a\)](#).

“[IRS](#)” means the Internal Revenue Service.

“[Judgment](#)” means, with respect to any Person, any order, injunction, judgment, settlement, decree, ruling, award, writ, decree or other similar requirement enacted, adopted, promulgated or applied by a Governmental Entity or arbitrator that is binding upon or applicable to such Person.

“[Landlord Consents](#)” means a consent and amendment for each Landlord Lease (as such term is defined in [Section 3.5 of the Disclosure Letter](#)) by and between the Company and the landlord to such Landlord Lease, in each case shall have entered into a consent and amendment for each such lease, in each case in form and substance acceptable to the Purchaser.

“Law” means any federal, state, foreign or local law, statute, ordinance, rule, order, regulation, writ, injunction, directive, order, judgment, treaty, decree or administrative or judicial decision.

“Lease” is defined in Section 3.11(a).

“Leased Real Property” is defined in Section 3.11(a).

“Legal Action” means any action, arbitration, mediation, audit, hearing, investigation, proceeding, litigation or suit of any nature, whether civil, criminal, administrative, regulatory, investigative or otherwise, in Law or in equity, by or before any court, tribunal, arbitrator or other Governmental Entity.

“Lenders” means, collectively, BMO Harris Bank N.A. and BIP Quadrant 4 Debt Fund I, LLC.

“Lien” means any lien, pledge, mortgage, deed of trust, security interest, claim, charge, hypothecation, proxy, voting trust or agreement, transfer restriction under any shareholder or similar agreement, or any exception, reservation, easement, right-of-way, covenant, encroachment, encumbrance or other title defect of any nature whatsoever, or any Contract to create any of the foregoing.

“Losses” shall mean, without duplication for purposes of recovery, losses, liabilities, damages, obligations, penalties, awards, fines, judgments, claims, deficiencies, liquidated damages, assessments, interest and penalties, costs and expenses, including reasonable attorneys’, accountants’, consultants’ and experts’ fees and expenses of investigation and defense; provided, however, that “Losses” shall not include any special or punitive damages awarded with respect to any claim, unless such damages are part of a Tax claim or a Third Party Claim for which indemnification is sought pursuant to this Agreement.

“Material Action” means any action by the Company or any of its Subsidiaries to:

- (a) amend its Constitutional Documents;
- (b) declare, set aside or pay any dividends in respect of its Equity Securities or make any distribution with respect to its Equity Securities (whether in cash or in kind) or redeem, purchase or otherwise acquire any of its Equity Securities or split, combine or reclassify any of its Equity Securities;
- (c) authorize for issuance, issue, grant, sell, deliver or agree or commit to issue, grant, sell or deliver, any Equity Interests in the Company or any of its Subsidiaries, any security convertible into, exchangeable for, or evidencing the right to subscribe for or acquire, any Equity Interests in the Company or any of its Subsidiaries, or any rights, warrants or options to acquire, or other agreements or commitments of any character obligating the Company or any of its Subsidiaries to issue any Equity Interests in the Company or any of its Subsidiaries;
- (d) sell, lease, transfer, license, mortgage, pledge or otherwise dispose of or encumber, except for any Permitted Liens, (i) any Owned Real Property or (ii) any of other its properties or assets, in the case of this clause (ii), other than for fair consideration in the ordinary course of business consistent with past practice;
- (e) incur or commit to any capital expenditures, obligations or liabilities other than in the ordinary course of business consistent with past practice;
- (f) create, incur, assume, guarantee or otherwise become liable or obligated with respect to any Debt other than borrowings under its existing revolving credit facility, or make any loan or advance to, or any investment in, any Person;

(g) acquire by merging or consolidating with, or acquire by purchasing a substantial portion of the Equity Interests or assets of, or in any other manner, any business or Person;

(h) change its auditor or change its methods of accounting in effect as of the date of this Agreement except as required by changes in GAAP;

(i) make or change any Tax election, amend any Tax Return, or adopt or change any of its methods of accounting with respect to Taxes, change any annual Tax accounting period, enter into any "closing agreement" with any Taxing Authority, settle any Tax claim or assessment, surrender any right to claim a Tax refund, offset or other reduction in Tax liability, consent to any extension or waiver of the limitations period applicable to any Tax claim or assessment or take or omit to take any other action related to Taxes;

(j) dismiss, settle or compromise, or agree to dismiss, settle or compromise, any Legal Action, except for any such dismissal, settlement or compromise in the ordinary course of business which is not material to the operations or financial condition of the Company and its Subsidiaries taken as a whole;

(k) enter into, amend, modify or renew any Contract regarding employment, consulting, severance or similar arrangements with any of its officers or directors, or grant any salary, wage or other increase in compensation to any employee outside the ordinary course of business consistent with past practice, increase any employee benefit or adopt, amend, terminate or make any other change to any Company Employee Plan except as may be required by Law or pursuant to this Agreement;

(l) enter into any collective bargaining agreement or other obligation to any labor organization or employee representative, in each case, whether written or oral, or modify the terms of any such existing agreement except as required by applicable Law;

(m) implement any layoffs that could implicate the WARN Act or otherwise implement any reduction-in-force or early retirement program;

(n) enter into any Contract with, or for the benefit of, any Seller, director, former director, officer of the Company or its Subsidiaries or any Affiliate of the foregoing or any directors, former directors, officers or shareholders of any Affiliate of the foregoing;

(o) accelerate or delay the collection of notes or accounts receivable in advance of or beyond their regular due dates or the dates when they would have been collected in the ordinary course of business consistent with past practices;

(p) delay, postpone or accelerate the payment of accrued expenses, trade payables or other liabilities beyond or in advance of their due dates or the dates when such liabilities would have been paid or the receipt of any accounts receivable except in the ordinary course of business consistent with past practices; or

(q) commit or agree to do any of the foregoing.

"Material Adverse Effect" means a material adverse effect (a) on the business, properties, assets, liabilities, operations or financial condition of the Company and its Subsidiaries, taken as a whole; provided, however, that none of the following will be deemed, either alone or in combination, to constitute, and none of the following will be taken into account in determining whether there has been or will be, a Material Adverse Effect: (i) events, changes, developments or circumstances relating to the industries or the markets in which the Company and its Subsidiaries operate, including changes resulting from weather or natural conditions, or changes in Law or the interpretation or enforcement thereof (including, but not limited to, changes in reimbursement rates), (ii) events, changes, developments, conditions or circumstances that effect the U.S.

economy generally, (iii) an outbreak or escalation of war, armed hostilities, acts of terrorism, political instability or other national or international calamity, crisis or emergency, or any governmental or other response to any of the foregoing, in each case, whether occurring within or outside the United States, (iv) changes in Law or GAAP, (v) any change, effect, circumstance or event arising from the announcement of this Agreement, (vi) any action or omission of the Company or any of its Subsidiaries prior to the Closing Date contemplated by this Agreement or otherwise taken with the prior written consent of the Purchaser, as long as, in the case of the foregoing clauses (i) through (iv), such change, circumstance, event or effect has not had, and would not reasonably be expected to have, a materially disproportionate adverse impact on the Company and its Subsidiaries, taken as a whole, relative to other Persons operating in the industry sector or sectors in which the Company and its Subsidiaries operate, or (vii) any increase in the cost or availability of the financing necessary for the Purchaser to consummate the transactions contemplated hereby, or (b) the ability of either the Company or any Seller to perform its obligations under this Agreement or to consummate the transactions contemplated hereby on a timely basis.

“Material Customers” is defined in Section 3.26.

“Material Suppliers” is defined in Section 3.26.

“Net Current Asset Target” means One Million One Hundred Eighty Thousand Seven Hundred Forty Dollars and Seventy-Six Cents (\$1,180,740.76).

“Non-Competition and Non-Solicitation Agreement” means a non-competition and non-solicitation agreement, in form and substance acceptable to the Purchaser, dated as of the Closing Date and duly executed by the Sellers and the Purchaser.

“Objection Notice” is defined in Section 1.4(b).

“Objection Period” is defined in Section 1.4(b).

“Other Person Authorizations” is defined in Section 3.16(b).

“Owned Real Property” is defined in Section 3.11(b).

“Parties” means the Purchaser, the Company, the Sellers’ Representative and the Sellers and “Party” means any of the Parties.

“Payoff Letters” means customary payoff letters from all holders of Debt, if any (which Payoff Letters be in form and substance reasonably satisfactory to the Purchaser’s lenders and shall contain (a) payoff amounts, including per diems; (b) wire transfer instructions; (c) an affirmative statement by the holder of the applicable Debt that (i) upon payment of the applicable payoff amount, including any per diem, that (A) all obligations of the Company or its Subsidiaries to such holder shall be satisfied in full, (B) all Liens, if any, are automatically released and terminated and (C) all guarantees of the applicable Debt are automatically released and terminated, and (ii) the Purchaser may rely on such Payoff Letter; and (d) an agreement by the holder of the applicable Debt to take such further action as may be reasonably requested by the Company or the Purchaser to further evidence such payment, release and termination), together with arrangements satisfactory to the Purchaser and its lenders, for such holders to provide to the Company or its Subsidiaries, simultaneously with the repayment of all such Debt, recordable form lien releases (or, if requested by the Purchaser, an authorization for the Company, the Purchaser or the Purchaser’s lender to file UCC termination statements), canceled notes and other documents reasonably requested by the Purchaser or its lenders.

“Permits” means all licenses, permits, certificates, variances, exemptions, franchises, consents, waivers, registrations and other approvals or authorizations issued, granted, given, required or otherwise made available by or required to be filed with any Governmental Entity.

“Permitted Liens” means, with respect to any Person or Owned Real Property or Leased Real Property, Liens for (i) Taxes, assessments and other governmental charges, if such Taxes, assessments or charges are not due and payable or the Person is contesting them in good faith and has established adequate reserves for them as shown in the Company Balance Sheet; (ii) workmen’s, repairmen’s or other similar Liens incurred in the ordinary course of business in respect of obligations which are not overdue, (iii) minor exceptions, reservations, easements, rights-of-way, covenants, encroachments, encumbrances or other title defects or burdens which do not, individually or in the aggregate, impair the continued use, occupancy, value or marketability of title of the property to which they relate, assuming that the property is used on substantially the same basis as such property is currently being used by the Company or any of its Subsidiaries, (iv) pledges or deposits made in the ordinary course of business in connection with worker’s compensation, unemployment insurance or other programs required by applicable Law, (v) any Lien against or affecting the Leased Real Property arising by, through or under the lessor or landlord of the Leased Real Property which is not a violation of the lease for such property and (vi) any Lien set forth in Section 10.1 of the Disclosure Letter.

“Per Share Value” means the Volume Weighted Average Price per share of common stock as reported on OTC Pink Current Information on the Closing Date.

“Person” means any individual, corporation, partnership, limited liability company, firm, joint venture, association, joint-stock company, trust, unincorporated organization, Governmental Entity or other entity.

“Pre-Closing Taxes” is defined in Section 9.1(a)(i).

“Pre-Closing Tax Period” means (i) any taxable period ending on or before the Closing Date, and (ii) the portion of any Straddle Period ending on the Closing Date.

“Prohibited Person” shall mean any Person (i) listed in the Annex to, or is otherwise subject to the provisions of, Executive Order No. 13224, (ii) owned or controlled by, or acting for or on behalf of, any party described in clause (i) above, (iii) with whom any lender is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law, (iv) who commits, threatens or conspires to commit or supports “terrorism” as defined in Executive Order No. 13224, (v) named as a “specially designated national and blocked person” on the most current list published by the U.S. Treasury Department Office of Foreign Assets Control at its official website, <http://www.treas.gov/ofac/t11sdn.pdf>, or at any replacement website or other official publication of such list or (vi) affiliated with any party described in clauses (i) through (v) above.

“Purchaser” is defined in the Preamble.

“Purchaser Indemnified Parties” is defined in Section 8.2(a).

“Purchaser Shares” means shares of the Purchaser’s common stock, par value \$0.001 per share.

“Registered Intellectual Property” means all patents, registered copyrights, registered trademarks and servicemarks, and Internet domain name registrations, and all applications for registration of any of the foregoing, including any renewals, extensions, continuations (in whole or in part), divisionals, re-examinations or reissues or equivalent or counterpart thereof; and all documentation and embodiments of the foregoing.

“Release” has the meaning set forth in Section 101(22) of CERCLA.

“Required Consents” is defined in Section 3.6.

“Resignations” means the resignations of (a) the directors of the Company and its Subsidiaries, and (b) the non-employee officers of the Company and its Subsidiaries, with each such resignation to be effective concurrently with the Closing.

“Response Notice” is defined in Section 8.5(b).

“Securities Act” is defined in Section 5.7.

“Seller” and “Sellers” are defined in the Preamble.

“Seller Indemnified Parties” is defined in Section 8.2(b).

“Share Consideration Amount” means the product of (i) the Share Consideration and (ii) the Per Share Value.

“Share Consideration” means 500,000 shares of Purchaser Shares.

“Shares” is defined in the Recitals.

“Stipulated Amount” is defined in Section 8.5(e).

“Straddle Period” means any taxable period that begins on or before the Closing Date and ends after the Closing Date.

“Subordination Agreements” is defined in Section 1.5(c).

“Subscription Agreements” means the subscription agreement, each in the form set forth on Exhibit E, dated as of the Closing Date and duly executed by each of the Sellers and the Purchaser.

“Subsidiary” of any Person means (i) a corporation of which such Person owns or controls such number of the voting securities which is sufficient to elect at least a majority of its Board of Directors or (ii) a partnership or limited liability company of which such Person (either alone or through or together with any other Subsidiary) is the general partner or managing entity.

“Tangible Company Properties” is defined in Section 3.10(b).

“Target EBITDA” means, for the 2017 Earnout Period, 2018 Earnout Period and 2019 Earnout Period, respectively, the Target EBITDA set forth on Exhibit B hereto.

“Tax” means (i) any federal, state, local or foreign income, alternative or add-on minimum, estimated, gross income, gross receipts, sales, use, ad valorem, value added, transfer, franchise, capital profits, lease, service, license, withholding, payroll, employment, escheat and unclaimed property, excise, severance, stamp, occupation, premium, environmental (including taxes under Section 59A of the Code), vehicle, customs duties, capital stock, or property tax and any other similar governmental fee, assessment or charge constituting a tax, together with all interest, penalties, additions to tax and additional amounts with respect thereto, whether disputed or not, and any amounts payable pursuant to the determination or settlement of an audit and (ii) any liability in respect of any item in clause (i) above that arises by reason of a Contract, assumption, transferee or successor liability, operation of Law (including by reason of participation in a consolidated, combined or unitary Tax Return for any Tax period) or otherwise.

“Tax Loss Notice” is defined in Section 9.1(b).

“Tax Losses” is defined in Section 9.1(a).

“Tax Representations” means the representations and warranties of the Company set forth in Section 3.21 (Tax Matters).

“Tax Returns” means all returns, declarations, reports, claims for refund, information statements and other documents relating to Taxes, including all schedules and attachments thereto, and including all amendments thereof.

“Taxing Authority” means any Governmental Entity responsible for the administration or imposition of any Tax.

“Third Party Claim” is defined in Section 8.4(a).

“Transaction Bonuses” means the bonuses payable in connection with the consummation of the transactions contemplated by this Agreement.

“Transaction Bonus Amount” means an amount equal to (i) the aggregate Transaction Bonuses to be made to the recipients thereof in connection with the transactions contemplated by this Agreement, *plus* (ii) the aggregate Transaction Payroll Taxes incurred in connection with such Transaction Bonuses.

“Transaction Expenses” means all fees, costs and expenses (including investment bankers and financial advisors, attorneys’ and accountants’ fees, costs and expenses) incurred by the Company or any of its Subsidiaries (on behalf of the Company, any Subsidiary of the Company or any Seller) in connection with the transactions contemplated by this Agreement (including such fees, costs and expenses arising after the Closing), including any bonus, severance, change-in-control or similar payment obligations of the Company or any of its Subsidiaries resulting solely from, or solely in connection with, the consummation of the transactions contemplated hereby, as well as any related Transaction Payroll Taxes, including the Transaction Bonus Amount and any Losses incurred or suffered by any Purchaser Indemnified Party directly or indirectly arising out of, resulting from or in any way related to the Transaction Bonuses, including any payments made thereunder.

“Transaction Payroll Taxes” means the employer portion of payroll or employment Taxes incurred in connection with any bonuses or other compensatory payments in connection with the transactions contemplated by this Agreement, including with respect to the Transaction Bonuses.

“Treasury Regulations” means the regulations currently in force as final or temporary that have been issued by the U.S. Department of Treasury under its authority under the Code, and any successor regulations.

“Unaudited Financial Statements” is defined in Section 3.7(a).

“Unpaid Transaction Expenses” means the Transaction Expenses that remain unpaid as of 12:01 a.m., Pacific time, on the morning of the Closing Date.

“USA Patriot Act” shall mean the “Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001” (Public Law 107-56), as amended.

“WARN Act” is defined in Section 3.19(f).

10.2. Construction.

(a) The Parties and their respective counsel have participated jointly in the negotiation and drafting of this Agreement. In addition, each of the Parties acknowledges that it is sophisticated and has been advised by experienced counsel and, to the extent it deemed necessary, other advisors in connection with the negotiation and drafting of this Agreement. Accordingly, any rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not be applied in the construction or interpretation of this Agreement.

(b) The words “include” and “including” and variations thereof shall not be deemed to be terms of limitation, but rather shall be deemed to be followed by the words “without limitation”. The word “or” when used in a list shall not indicate that the listed items are exclusive of each other. The use of the masculine, feminine or neuter gender or the singular or plural form of words will not limit any provisions of this Agreement.

(c) Except as otherwise indicated, all references in this Agreement to “Articles”, “Sections”, “Exhibits” and “Schedules” are intended to refer to the Articles and Sections of this Agreement, and to the Exhibits and Schedules to this Agreement, including the Disclosure Letter, as the context may require. All such Exhibits and Schedules, including the Disclosure Letter, shall be deemed a part of, and are hereby incorporated by this reference into, this Agreement.

(d) As used in this Agreement, a document shall be deemed to have been “made available” to the Purchaser if, from the date of the Confidentiality Agreement and through the date that is two (2) Business Days prior to the date of this Agreement, such document has been made available for viewing by the Purchaser in the electronic data room established by the Company in connection with the transactions contemplated by this Agreement.

(e) The table of contents and headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

ARTICLE XI GENERAL PROVISIONS

11.1. Expenses. Except as otherwise specifically provided herein, each Party shall bear its own Transaction Expenses in connection with this Agreement and the transactions contemplated hereby.

11.2. Public Announcements. No public release or announcement concerning the transactions contemplated hereby shall be issued by any Party without the prior written consent of the Purchaser and the Sellers, which consent shall not be unreasonably withheld or delayed, except as such release or announcement may be required by applicable Law or the rules or regulations of any applicable Governmental Entity or stock exchange to which the relevant Party is subject (including the Securities and Exchange Commission), in which case the Party required to make the release or announcement shall use its commercially reasonable efforts to provide the other Party reasonable time to comment on such release or announcement in advance of such issuance, it being understood that the final form and content of any such release or announcement, to the extent so required, shall be at the final discretion of the disclosing Party. The Parties may make additional announcements that are not inconsistent in any material respects with the Parties’ prior public disclosures regarding the substance of this Agreement without consent.

11.3. Notices. All notices and other communications hereunder shall be in writing and delivered personally or mailed by registered or certified mail, postage prepaid and return receipt requested, or by electronic mail or facsimile, as follows:

(a) if to the Purchaser (or to the Company or any of its Subsidiaries) to:

Quadrant 4 System Corporation
1501 E. Woodfield Road, Suite 205 S
Schaumburg, IL 60173
Attention:
Facsimile:
E-mail:

with a copy (which shall not constitute notice) to:

Nixon Peabody LLP
70 West Madison, Suite 3500
Chicago, IL 60602-4224
Attention: Gary I. Levenstein
Facsimile: (844) 562-7985
E-mail: gilevenstein@nixonpeabody.com

(b) if to the Sellers to:

Pankaj Kalra
3248 Bruce Drive
Fremont, CA 94539
E-mail: pankajkalra.usa@gmail.com

with a copy (which shall not constitute notice) to:

Inventus Law, Inc.
3260 Hillview Avenue
Palo Alto, CA 94304
Attention: Anil Advani, Esq.
E-mail: anil@inventuslaw.com

Each of the above addresses for notice purposes may be changed by providing appropriate notice hereunder. Notice given by personal delivery or registered or certified mail shall be effective upon actual receipt. Notice given by electronic mail or facsimile shall be effective upon actual receipt if received during the recipient's normal business hours, or at the beginning of the recipient's next normal Business Day after receipt if not received during the recipient's normal business hours. All notices by facsimile shall be confirmed by the sender thereof promptly after transmission in writing by registered or certified mail or personal delivery.

11.4. Entire Agreement. This Agreement, the Exhibits and the Schedules hereto, including the Disclosure Letter and the Confidentiality Agreement, constitute the entire agreement among the Parties with respect to the subject matter hereof and supersede all prior agreements and understandings, both written and oral, among the Parties with respect to the subject matter hereof.

11.5. Severability. In the event that any provision of this Agreement or the application thereof becomes or is declared by a court of competent jurisdiction to be illegal, void or unenforceable, the remainder of this Agreement will continue in full force and effect and the application of such provision will be interpreted so as reasonably to effect the intent of the Parties. The Parties further agree to replace such void or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the greatest extent possible, the economic, business and other purposes of such void or unenforceable provision.

11.6. Specific Performance. The Parties agree that irreparable damage (for which monetary damages, even if available, would not be an adequate remedy) would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof (including the right of a Party to cause the other Parties to consummate the transactions contemplated herein) in any court of the United States or any state having jurisdiction, this being in addition to any other remedy to which they are entitled at Law or in equity. In the event that any Party seeks an injunction or injunctions to prevent breaches of this Agreement or to enforce specifically the terms and provisions of this Agreement, such Party shall not be

required to provide any bond or other security in connection with any such injunction or other order, decree, ruling or judgment. Each Party agrees that it will not oppose the granting of an injunction, specific performance or other equitable relief on the basis that the Party seeking such injunction, specific performance or other equitable relief has an adequate remedy at law or that any award of specific performance is not an appropriate remedy for any reason at law or equity.

11.7. Successors and Assigns; Assignment; Parties in Interest. This Agreement shall inure to the benefit of, and be binding on, the Parties and their respective successors and assigns (if any). Except as otherwise specifically provided herein, no Party may assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of the other Parties; provided, however, that nothing herein shall prohibit the assignment of the Purchaser's rights (but not obligations) to any lender or to any wholly owned Subsidiary of the Purchaser. Nothing in this Agreement, express or implied, is intended to or shall confer upon any Person other than a Party any rights, interests, benefits or other remedies of any nature under or by reason of this Agreement, except that the indemnification provisions of this Agreement are intended to benefit the Indemnified Parties, and the provisions of Section 6.12 are intended to benefit the Covered Persons, and all such intended third-party beneficiaries shall be entitled to enforce such provisions of this Agreement.

11.8. Amendment; Waiver. This Agreement may be amended by the Parties only by execution of an instrument in writing signed by the Purchaser and the Sellers. At any time prior to the Closing, the Purchaser, on the one hand, and the Sellers and the Company, on the other, may, to the extent legally allowed, (i) extend the time for the performance of any of the obligations of the other Parties, (ii) waive any inaccuracies in the representations and warranties made to such Party contained herein or in any document delivered pursuant hereto or (iii) waive compliance with any of the agreements or conditions for the benefit of such Party contained herein. Any agreement by any Party to any such extension or waiver shall be valid only if, and to the extent that, set forth in an instrument in writing signed on behalf of such Party against whom such extension or waiver is sought to be enforced. No failure on the part of any Person to exercise any power, right, privilege or remedy under this Agreement, and no delay on the part of any Person in exercising any power, right, privilege or remedy under this Agreement, shall operate as a waiver of such power, right, privilege or remedy; and no single or partial exercise of any such power, right privilege or remedy shall preclude any other or further exercise thereof or of any other power, right, privilege or remedy.

11.9. Governing Law; Venue.

(a) This Agreement shall be construed in accordance with, and governed in all respects by, the internal Laws of the State of Delaware, without giving effect to conflicts of law or choice of law provisions thereof.

(b) Unless otherwise explicitly provided in this Agreement, any action, claim, suit or proceeding relating to this Agreement or the enforcement of any provision of this Agreement shall be brought or otherwise commenced in any state or federal court located in the State of Delaware. Each Party (i) expressly and irrevocably consents and submits to the jurisdiction of each such court, and each appellate court located in the State of Delaware, in connection with any such proceeding, (ii) agrees that each such court shall be deemed to be a convenient forum, and (iii) agrees not to assert, by way of motion, as a defense or otherwise, in any such proceeding commenced in any such court, any claim that such Party is not subject personally to the jurisdiction of such court, that such proceeding has been brought in an inconvenient forum, that the venue of such proceeding is improper or that this Agreement or the subject matter of this Agreement may not be enforced in or by such court.

11.10. Waiver of Jury Trial. EACH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY ANCILLARY AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

EACH PARTY HERETO CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE OTHER PARTIES HAS REPRESENTED, EXPRESSLY OR OTHERWISE THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND ACKNOWLEDGES THAT IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 11.10.

11.11. Other Remedies. Except as otherwise provided herein, any and all remedies herein expressly conferred upon a Party will be deemed cumulative with and not exclusive of any other remedy conferred hereby, or by law or equity upon such Party, and the exercise by a Party of any one remedy will not preclude the exercise of any other remedy.

11.12. Counterparts; Electronic Delivery. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any signature page delivered by facsimile or electronic image transmission shall be binding to the same extent as an original signature page. Any Party that delivers a signature page by facsimile or electronic image transmission shall deliver an original counterpart to any other Party that requests such original counterpart, it being understood and agreed that the failure to deliver any such original counterpart upon request shall not affect the binding nature of the signature page delivered by facsimile or electronic image transmission.

11.13. Time is of the Essence. With regard to all dates and time periods set forth or referred to in this Agreement, time is of the essence.

11.14. Confidentiality. From and after the Closing Date, (i) the Sellers shall not, and shall cause their Affiliates not to, directly or indirectly, disclose, reveal, divulge or communicate to any Person (other than authorized officers, directors and employees of the Purchaser, the Company or the Company's Subsidiaries) or use or otherwise exploit for their own benefit or for the benefit of anyone other than the Purchaser, the Company or the Company's Subsidiaries, any Confidential Information relating to the Purchaser, the Company or the Company's Subsidiaries and (ii) the Purchaser, the Company and each of the Company's Subsidiaries shall not, and shall cause their Affiliates not to, directly or indirectly, disclose, reveal, divulge or communicate to any Person (other than authorized officers, directors and employees of the Sellers) or use or otherwise exploit for its own benefit or for the benefit of anyone other than Sellers, any Confidential Information relating to the Sellers; provided, however, that in the event disclosure of any Confidential Information is required by applicable Law or the rules and regulations of any stock exchange to which the receiving party of such Confidential Information is subject, the receiving party of such Confidential Information shall, to the extent reasonably possible, provide to the disclosing party with prompt notice of such requirement prior to making any disclosure so that the disclosing party may seek an appropriate protective order. For purposes of this Section 11.14, "Confidential Information" shall mean any confidential information with respect to any disclosing party, including, methods of operation, customers, customer lists, financial results, statements and records, audits, correspondence and reports filed with Governmental Authorities, products, research and development plans, programs or results, prices, fees, costs, inventions, know-how, trade secrets, business plans, market studies, marketing methods, plans, budgets, identified acquisition targets, personnel and related records, suppliers, competitors, markets or other specialized information or proprietary matters that a reasonable business manager would treat as confidential; provided, however, that the term "Confidential Information" does not include, and there shall be no obligation of any receiving party hereunder with respect to, information that (i) is generally available to the public on the date of this Agreement or (ii) becomes generally available to the public other than as a result of a disclosure not otherwise permissible hereunder. Further, a party hereto may disclose any Confidential Information of another party to the extent such disclosure is reasonably necessary for the disclosing party to exercise its rights or perform its obligations under this Agreement or any agreement or instrument entered into at the Closing pursuant hereto.

11.15. Liability of Affiliates of the Purchaser or the Sellers. Neither any direct or indirect holder of Equity Interests in the Purchaser, nor any past, present or future member, director, manager, officer, employee, agent, advisor, financing source or Affiliate of the Purchaser (other than the Purchaser itself) or of any such holder, shall have any liability or obligation of any nature whatsoever in connection with, arising out of, or relating to or under this Agreement, any agreement contemplated by this Agreement or the transactions contemplated by this Agreement or such other agreement, and the Sellers hereby waive and release all claims of any such liability and obligation. Neither any direct or indirect holder of Equity Interests in any of the Sellers, nor any past, present or future member, director, manager, officer, employee, agent, advisor, financing source or Affiliate of any of the Sellers (other than the Sellers themselves) or of any such holder, shall have any liability or obligation of any nature whatsoever in connection with, arising out of, or relating to or under this Agreement, any agreement contemplated by this Agreement or the transactions contemplated by this Agreement or such other agreement, and the Purchaser hereby waives and releases all claims of any such liability and obligation.

11.16. Sellers' Representative.

(a) The Sellers irrevocably nominate, constitute and appoint Pankaj Kalra as the representative, agent and true and lawful attorney in fact of the Sellers (the "Sellers' Representative"), with full power of substitution, to act in the name, place and stead of the Sellers for purposes of executing any documents and taking any actions that the Sellers' Representative may, in the Sellers' Representative's sole discretion, determine to be necessary, desirable or appropriate in connection with any claim for indemnification, compensation or reimbursement under Article VIII. By way of amplification and not limitation, as Sellers' Representative, the Sellers' Representative shall be authorized and empowered, as agents of and on behalf of all Sellers to give and receive notices and communications as provided herein, to object to any indemnification claims, to agree to, negotiate, enter into settlements and compromises of, and comply with orders of courts and awards of arbitrators with respect to, such claims or Losses, to waive after the Closing any breach or default of the Purchaser of any obligation to be performed by it under this Agreement, to receive service of process on behalf of each Seller in connection with any claims against such Seller arising under or in connection with this Agreement, any document or instrument provided for hereby or any of the transactions contemplated hereby, and to take all other actions that are either (i) necessary or appropriate in the judgment of the Sellers' Representative for the accomplishment of the foregoing or (ii) specifically mandated by the terms of this Agreement. Notices or communications to or from the Sellers' Representative shall constitute notice to or from the Sellers. Pankaj Kalra hereby accepts his appointment as Sellers' Representative.

(b) The Sellers grant to the Sellers' Representative full authority to execute, deliver, acknowledge, certify and file on behalf of such Sellers (in the name of any or all of the Sellers or otherwise) any and all documents that the Sellers' Representative may, in his sole discretion, determine to be necessary, desirable or appropriate, in such forms and containing such provisions as the Sellers' Representative may, in his sole discretion, determine to be appropriate, in performing his duties as contemplated by this Section 11.16. Notwithstanding anything to the contrary contained in this Agreement or in any other agreement executed in connection with the transactions contemplated hereby: (i) each Indemnified Party shall be entitled to deal exclusively with the Sellers' Representative on all matters relating to any claim for indemnification, compensation or reimbursement under Article VIII; and (ii) each Indemnified Party shall be entitled to rely conclusively (without further evidence of any kind whatsoever) on any document executed or purported to be executed on behalf of any Seller by the Sellers' Representative, and on any other action taken or purported to be taken on behalf of any Seller by the Sellers' Representative, as fully binding upon such Seller.

(c) The Sellers recognize and intend that the power of attorney granted in this Section 11.16: (i) is coupled with an interest and is irrevocable; (ii) may be delegated by the Sellers' Representative; and (iii) shall survive the death, incapacity, dissolution, liquidation or winding up of each of the Sellers.

(d) If the Sellers' Representative shall resign, die, become disabled or otherwise be unable to fulfill his responsibilities hereunder, the Sellers shall (by consent of those Persons entitled to at least a majority of the Final Cash Amount), within ten (10) days after such death, disability or inability, appoint a successor to the Sellers' Representative (who shall be reasonably satisfactory to the Purchaser) and immediately thereafter notify the Purchaser of the identity of such successor. Any such successor shall succeed the Sellers' Representative as Sellers' Representative hereunder. If for any reason there is no Sellers' Representative at any time, all references herein to the Sellers' Representative shall be deemed to refer to the Sellers.

11.17. Release.

(a) Each Seller, on behalf of such Seller, anyone claiming through such Seller (including such Seller's Affiliates) and the respective heirs, executors, personal representatives, beneficiaries, successors

and assigns of each of the foregoing (collectively, the “Releasing Parties”), hereby fully, finally and irrevocably releases, acquits and forever discharges each of the Company, any Subsidiary of the Company, the Purchaser Indemnified Parties and each Affiliate of any of the foregoing, each current and former equity holder, director, officer, employee and agent of any of the foregoing and the respective heirs, executors, personal representatives, successors and assigns of each of the foregoing (collectively, the “Released Parties”), of and from any and all claims, damages, losses, liabilities, costs and expenses of every kind and nature whatsoever, past, present or future, at law or in equity, whether known or unknown, contingent or otherwise, which any Releasing Party has, ever had or may have against any Released Party by reason of any matter, cause or thing existing as of the Closing Date or arising out of events occurring or conditions existing on or prior to the Closing Date. Each Releasing Party hereby irrevocably agrees not to assert, directly or indirectly, any claim or demand, or to commence, institute or cause to be commenced or instituted, any proceeding of any kind against any Released Party with respect to the foregoing. Notwithstanding the foregoing, the foregoing shall not constitute a release of claims with respect to (i) any claim for indemnification or other remedy to which the Releasing Party is entitled under this Agreement, (ii) any claims that the Releasing Party may have for indemnification under (any indemnification agreement with the Company relating to the Releasing Party’s service as an officer, director, employee or agent of any Company or any Subsidiary of the Company (but specifically excluding any claim for indemnification relating to any liability of the Releasing Party to any other Party arising out of the transactions contemplated by this Agreement), (iii) to the extent the Releasing Party is an employee of the Company or any Subsidiary of the Company, any claims for accrued but unpaid compensation with respect to services actually provided during the most recent pay period prior to the Closing by such Releasing Party, including salary, benefits and reimbursements of expenses incurred and otherwise reimbursable in accordance with the Company’s policies, as applicable during such period and (iv) to the extent the Releasing Party is an employee of the Company or any Subsidiary of the Company, any amounts owed to such Releasing Party under employee benefit plans of the Company or any Subsidiary of the Company, as applicable, through the Closing Date.

(b) Each Seller, on behalf of both himself, herself or itself and the Releasing Parties, acknowledges that he, she or it is familiar with Section 1542 of the Civil Code of the State of California, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

(c) Each Seller, on behalf of both himself, herself or itself and the Releasing Parties, hereby waives and relinquishes any rights and benefits that they may have under Section 1542 of the Civil Code of the State of California or any similar statute or common law principle of any jurisdiction. The Seller, on behalf of both himself, herself or itself and the Releasing Parties, acknowledges that he, she or it may hereafter discover facts in addition to or different from those that such Seller or Releasing Party now knows or believes to be true with respect to the subject matter of this release, but it is such Seller’s and the Releasing Parties’ intention to fully and finally and forever settle and release any and all claims (other than the non-released claims specifically set forth above in this Section) that do now exist, may exist or heretofore have existed with respect to the subject matter of this release. In furtherance of this intention, the releases contained herein shall be and remain in effect as full and complete general releases notwithstanding the discovery or existence of any such additional or different facts.

11.18. Effective Time. The Parties agree that the Purchaser shall recognize the revenue of the Company (after giving effect to the transactions contemplated by the Asset Purchase Agreement) effective as of July 1, 2016, for accounting purposes only.

[The remainder of this page has been intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed and delivered by its duly authorized representative as of the date first written above.

PURCHASER:

QUADRANT 4 SYSTEM CORPORATION

By: /s/ Nandu Thondavadi _____
Name: Nandu Thondavadi
Title: President and Chief Executive Officer

SELLERS:

/s/ Ashish Sanan _____
Ashish Sanan

/s/ Pankaj Kalra _____
Pankaj Kalra

/s/ Khannan Sankaran _____
Khannan Sankaran

COMPANY:

STRATITUDE, INC.

By: /s/ Khannan Sankaran _____
Name: Khanan Sankaran
Title: Chief Executive Officer

SELLERS' REPRESENTATIVE:

/s/ Pankaj Kalra _____
Pankaj Kalra

[Signature Page to Stock Purchase Agreement]

Exhibit A

Sellers

Name of Seller	Number of Shares Held	Percentage of Shares of Held
Pankaj Kalra	393,939	39.4%
Ashish Sanan	393,939	39.4%
Khannan Sankaran	212,122	21.2%
Total:	1,000,000	100%

Exhibit B

Earnout Consideration

Earnout Period	Target EBITDA	EBITDA Floor	Earnout		Incentive Earnout Amount for amounts over the Target EBITDA
			Guaranteed Earnout Amount	Variable Earnout Amount	
2017 Earnout Period	\$ 1,350,000	\$ 1,000,000	\$ 200,000	\$ 600,000	60%
2018 Earnout Period	\$ 1,450,000	\$ 1,000,000	\$ 100,000	\$ 700,000	60%
2019 Earnout Period	\$ 1,550,000	\$ 1,000,000	\$ 100,000	\$ 700,000	60%
Total:	\$ 4,350,000	\$ 3,000,000	\$ 400,000	\$ 2,000,000	N/A

Hypothetical Examples

Example 1:

If during the 2017 Earnout Period, the actual EBITDA of the Company is \$1,200,000, then the Purchaser shall pay to the Sellers' Representative (on behalf of the Sellers) an amount equal to the sum of (i) the Guaranteed Earnout Amount of \$200,000 plus (ii) the Variable Earnout Amount of \$600,000.

Example 2:

If during the 2017 Earnout Period, the actual EBITDA of the Company is \$1,500,000, then the Purchaser shall pay to the Sellers' Representative (on behalf of the Sellers) an amount equal to the sum of (i) the Guaranteed Earnout Amount of \$200,000, (ii) the Variable Earnout Amount of \$600,000 and (iii) \$90,000, which is an amount equal to 60% of the amount in excess of the Target EBITDA (i.e., 60% of \$150,000).

Example 3:

If during the 2017 Earnout Period, the actual EBITDA of the Company is \$500,000, then the Purchaser shall pay to the Sellers' Representative (on behalf of the Sellers) an amount equal to the Guaranteed Earnout Amount of \$200,000.

Exhibit C

Share Consideration

Name of Seller	Number of Shares of Purchaser Issued
Pankaj Kalra	196,975
Ashish Sanan	196,975
Khannan Sankaran	106,050
Total:	500,000

Exhibit D

Calculation of EBITDA

EBITDA, as adjusted

(in thousands)	TTM16	FY15	FY14	FY13
Net income (loss)	\$ 933	\$ 1,094	\$ 297	\$ 687
<i>Reconciliation to EBITDA:</i>				
Other income	-	-	-	(45)
Depreciation and amortization	61	54	19	41
Interest expense	17	21	19	18
	<u>78</u>	<u>75</u>	<u>38</u>	<u>14</u>
EBITDA, as reported	1,011	1,169	335	701
<i>% of revenue</i>	<i>5.7%</i>	<i>6.4%</i>	<i>2.2%</i>	<i>4.9%</i>
<i>Management proposed adjustments:</i>				
[1] Owners' expenses	208	185	171	174
[2] Owner salary	132	120	108	133
	<u>340</u>	<u>305</u>	<u>279</u>	<u>307</u>
Management proposed EBITDA	1,351	1,474	614	1,008
<i>% of revenue</i>	<i>7.6%</i>	<i>8.1%</i>	<i>4.1%</i>	<i>7.0%</i>
<i>Proposed due diligence adjustments:</i>				
[3] Owners' expenses	2	33	2	(8)
[4] Commission expense	12	(25)	6	(68)
[5] Vacation expense	(11)	(16)	NQ	NQ
[6] Non-operating income	(108)	(108)	-	-
[7] Partner buyout	-	-	165	-
[8] Abode 360 consulting fees	-	-	-	45
[9] Insurance expense	NQ	NQ	NQ	NQ
	<u>(105)</u>	<u>(116)</u>	<u>173</u>	<u>(31)</u>
Proposed due diligence EBITDA	1,246	1,358	787	977
<i>% of revenue</i>	<i>7.0%</i>	<i>7.4%</i>	<i>5.2%</i>	<i>6.8%</i>
<i>Pro forma adjustments:</i>				
[10] Professional fees	NQ	NQ	NQ	NQ
[11] Owner's compensation	NQ	NQ	NQ	NQ
	-	-	-	-
EBITDA, as adjusted	\$ 1,246	\$ 1,358	\$ 787	\$ 977
<i>% of revenue</i>	<i>7.0%</i>	<i>7.4%</i>	<i>5.2%</i>	<i>6.8%</i>

Exhibit E

Form of Subscription Agreement

[see attached]

E-1

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE “SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE, AND MAY NOT BE OFFERED OR SOLD UNLESS THE SECURITIES ARE REGISTERED UNDER THE SECURITIES ACT, OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE. THESE SECURITIES ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH LAWS.

**SUBSCRIPTION AGREEMENT
FOR SHARES
IN**

**QUADRANT 4 SYSTEM CORPORATION,
an Illinois corporation**

Quadrant 4 System Corporation
1501 Woodfield Road, Suite 205 S
Schaumburg, Illinois 60173
Attention: Nandu Thonadvadi

Re: Subscription for Shares of Common Stock

Ladies and Gentlemen:

Subject to the terms and conditions of this Subscription Agreement (this "Agreement"), the undersigned Subscriber does hereby subscribe to purchase from Quadrant 4 System Corporation, an Illinois corporation (the "Company"), [number of shares] shares (the "Shares") of the Company's common stock, par value \$0.001 per share ("Common Stock").

1. Representations and Warranties of Subscriber. Subscriber does hereby represent and warrant to the Company as follows:

(a) Subscriber has completed the Investor Suitability Questionnaire attached hereto as Exhibit A (the "Subscriber's Questionnaire").

(b) All information provided to the Company on the signature page hereto and on the Subscriber's Questionnaire is true, correct and complete.

(c) The offer to sell the Shares was directly communicated to Subscriber by the officers or directors of the Company. At no time was Subscriber presented with or solicited by or through any article, notice or other communication published in any newspaper or other leaflet, public promotional meeting, television, radio or other broadcast or transmittal advertisement or any other form of general advertising.

(d) Subscriber has received, read, analyzed and is familiar with the Company's (i) latest Annual Report on Form 10-K (for the year ending December 31, 2015), including Amendment No. 1 thereto on Form 10-K/A filed on September 23, 2016, and its subsequent Quarterly Reports on Form 10-Q, in each case, including all exhibits, (ii) Preliminary Proxy Statement on Schedule 14A and Transaction Statement on Schedule 13E-3, in each case, including all exhibits as filed on September 30, 2016 and (iii) all Current Reports on Form 8-K filed on or after December 31, 2015 (collectively, as amended from time to time, the "Filings").

(e) Subscriber understands that the Company is currently the subject of an SEC investigation concerning possible violations of various provisions of the federal securities laws. In addition, Subscriber understands that while the Company has acknowledged in SEC filings certain internal control deficiencies and has engaged counsel to assist it in reviewing and improving its compliance practices, the Company does not believe that it has made any material misrepresentations concerning its financial condition or business prospects. Subscriber further understands that while the Company

cannot predict the outcome of the investigation, the investigation could result in an enforcement action by the SEC. The Company continues to cooperate with the SEC with respect to the investigation.

(f) Subscriber possesses sufficient knowledge and experience in business and financial matters to evaluate the risk and merits of an investment in the Shares.

(g) Subscriber has received all additional documents requested and has had an opportunity to ask questions of and receive answers from the Company, or a person or persons acting on its behalf, concerning the terms and conditions of the offering of the Shares and to verify the accuracy of the information set forth in the Filings, and all such questions have been answered to Subscriber's full satisfaction.

(h) The address set forth on the signature page is the true and correct address of Subscriber's primary residence.

(i) Subscriber is acquiring the Shares for Subscriber's own account and not for the benefit of any other person or entity.

(j) Subscriber understands that an investment in the Shares is illiquid, because the Shares are subject to restrictions on transfer imposed by federal and state securities laws. In addition, the current trading market for the Common Stock is extremely thin and there is no assurance that there will continue to be any market for the Common Stock (including the Shares). Subscriber also understands that the Filings disclose, among other things, the Company's current intention to deregister the Common Stock and become a nonreporting company. Therefore, the Subscriber is prepared to hold the Shares indefinitely.

(k) Subscriber understands that an investment in the Company is subject to a number of risk factors, including but not necessarily limited to those described in the Filings, and is suitable only for those persons and entities who can afford to bear such risk and absorb the loss of their entire investment in the Shares, should that occur. Subscriber further understands and acknowledges that no federal or state agency has made any finding or determination as to the merits of the Shares for investment or any recommendation or endorsement of the Shares.

(l) Upon the Company's request, Subscriber will execute any documents as may be reasonably requested in connection with Subscriber's purchase of the Shares.

(m) IN PURCHASING THE SHARES, SUBSCRIBER IS NOT RELYING UPON ANY INFORMATION, OTHER THAN THE RESULTS OF SUBSCRIBER'S OWN INDEPENDENT REVIEW OF INFORMATION PROVIDED IN THE FILINGS, INCLUDING ALL EXHIBITS THERETO, THIS SUBSCRIPTION AGREEMENT AND SUBSCRIBER'S OWN INDEPENDENT INVESTIGATION OF THE COMPANY'S BOOKS, RECORDS AND DOCUMENTS.

(n) None of the following information has ever been represented, guaranteed, or warranted to Subscriber expressly or by implication, by the Company or any of its officers, directors, agents, employees or affiliates, or by any other person:

- (i) The approximate or exact length of time that Subscriber will be required to hold the Shares;
 - (ii) The percentage of profit and/or amount of or type of consideration, profit or loss to be realized, if any, as a result of an investment in the Shares; or
 - (iii) That the past performance or experience of the Company, or any of its officers, directors, agents, employees or affiliates, or of any other person, will in any way indicate or predict economic results from an investment in the Shares.
- (o) Subscriber has not distributed this Agreement to anyone other than his legal, tax, accounting or other investment advisors.

Subscriber's representations and warranties set forth in this Section 1 shall survive the termination or expiration of this Agreement.

2. Confidentiality. Subscriber will not at any time, directly or indirectly, use, communicate, or disclose any Confidential Information of the Company in any manner whatsoever, and will return or destroy the Confidential Information immediately upon the request of the Company. As used herein, "Confidential Information" means any information not generally known or available to the public without restriction relating to the Company, in any format, whether marked confidential or not, including, without limitation, this Agreement, and all the Exhibits attachments hereto. Subscriber's confidentiality obligations set forth in this Section 2 shall survive the termination or expiration of this Agreement.

3. Restricted Shares. Subscriber will not sell or otherwise transfer any Shares without registration under the Securities Act or an exemption therefrom, and fully understands and agrees that the Subscriber must bear the economic risk of its purchase because, among other reasons, the Shares have not been registered under the Securities Act or under the securities laws of any state and, therefore, cannot be resold, pledged, assigned or otherwise disposed of unless they are subsequently registered under the Securities Act and under the applicable securities laws of such states, or an exemption from such registration is available. In particular, the Subscriber is aware that the Shares are "restricted securities," as such term is defined in Rule 144 promulgated under the Securities Act ("Rule 144"), and they may not be sold pursuant to Rule 144 unless all of the conditions of Rule 144 are met. The Subscriber also understands that the Company is under no obligation to register the Shares on behalf of the Subscriber or to assist the Subscriber in complying with any exemption from registration under the Securities Act or applicable state securities laws. The Subscriber understands that any sales or transfers of the Shares are further restricted by state securities laws and the provisions of this Agreement.

4. Restrictive Legend. The Subscriber understands and agrees that the certificates for the Shares shall bear substantially the following legend until (i) such Shares shall have been registered under the Securities Act and effectively disposed of in accordance with a registration statement that has been declared effective or (ii) in the opinion of counsel for the Company, such

Shares may be sold without registration under the Securities Act, as well as any applicable “Blue Sky” or state securities laws:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY APPLICABLE STATE SECURITIES LAWS. SUCH SECURITIES HAVE BEEN ACQUIRED FOR INVESTMENT PURPOSES AND MAY NOT BE OFFERED FOR SALE, SOLD, DELIVERED AFTER SALE, TRANSFERRED, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT FILED BY THE ISSUER WITH THE U.S. SECURITIES AND EXCHANGE COMMISSION COVERING SUCH SECURITIES UNDER THE SECURITIES ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE ISSUER THAT SUCH REGISTRATION IS NOT REQUIRED.

5. Indemnification. Subscriber does hereby agree to indemnify and hold harmless the Company and its officers, directors, agents, employees or affiliates from and against any and all loss, damage, liability or expense (including reasonable attorneys’ fees) due to or arising out of a breach of any of Subscriber’s representations or warranties and/or confidentiality obligations contained in this Agreement. Subscriber’s indemnification obligations set forth in this Section 5 shall survive the termination or expiration of this Agreement.

6. Expenses. Subscriber shall bear his, her or its own costs and expenses (irrespective of whether the purchase is completed) in connection with the purchase of Shares, including engagement of attorneys, accountants, advisors or agents to represent Subscriber’s interest. The foregoing costs and expenses that Subscriber bears shall not include any costs or expenses resulting from the Company’s engagement of attorneys, accountants, advisors or agents in connection with this purchase or any matter related to the Company.

7. Miscellaneous.

(a) This Agreement shall be governed by the laws of the State of Illinois, without regard to its conflict of laws rules.

(b) This Agreement and the Stock Purchase Agreement, dated as of October [___], 2016, by and among the Company and Stratitude, Inc., a California corporation, and the shareholders of Stratitude, Inc. (the “Stock Purchase Agreement”), including their respective schedules and exhibits, contain the entire agreement between the parties with respect to the subject matter hereof.

(c) The headings of this Agreement are for convenient reference only and they shall not limit or otherwise effect the interpretation of any term or provision hereof.

(d) This Agreement and the rights, powers, and duties set forth herein shall, except as otherwise set forth herein, be binding upon and shall inure to the benefit of the

parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns.

(e) Subscriber does hereby agree and acknowledge that Subscriber may not assign any of Subscriber's rights or interests in and under this Agreement without the prior written consent of the Company, and that any attempted assignment without such consent shall be void and without effect.

(f) Subscriber does hereby acknowledge that this purchase is subject to acceptance by the Company.

(g) Subscriber does hereby acknowledge that the Company is relying on Subscriber's representations, warranties and confidentiality obligations made herein in its decision to accept Subscriber's subscription. In the event that any of the representations and warranties made by Subscriber herein is untrue, Subscriber's purchase shall be void.

[signature page(s) attached]

IN WITNESS WHEREOF, Subscriber has executed this Subscription Agreement on the date set forth on the signature page.

The exact name under which title to the Shares is to be taken is as follows:

(please print)

**SUBSCRIPTION AGREEMENT
SIGNATURE PAGE**

Date: _____

Number of Shares of Common Stock: [*number of shares*]

Purchase Price for the Shares: Partial consideration for the sale of shares of Stratitude, Inc. as set forth in the Stock Purchase Agreement.

Signature

Subscriber's Name: _____

Subscriber's Address: _____

Social Security Number of Subscriber: _____

INDIVIDUAL ACKNOWLEDGMENT

State of _____)
)ss:
County of _____)

I hereby certify that _____, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument as his/her free and voluntary act for the uses and purposes therein set forth.

Given under my hand and official seal this ____ of _____. 20__.

SEAL

Notary Public in and for Said County and State

My Commission expires: _____

ACCEPTANCE OF SUBSCRIPTION BY THE COMPANY

The foregoing subscription is accepted by Quadrant 4 System Corporation on _____, 20__.

**QUADRANT 4 SYSTEM CORPORATION,
an Illinois corporation**

By: _____
Nandu Thonadvadi, Chief Executive Officer

EXHIBIT A TO SUBSCRIPTION AGREEMENT

INVESTOR SUITABILITY QUESTIONNAIRE

The purpose of this Questionnaire is to solicit certain information regarding an individual Subscriber's financial status to determine whether Subscriber is an "accredited investor," as defined under applicable securities laws, for purposes of his/her prospective purchase of Shares in the Company. This Questionnaire is not an offer to sell securities.

Answers to this Questionnaire will be kept as confidential as possible. However, this Questionnaire may be shown to such persons as the Company deems appropriate to determine accredited investor status including the Securities and Exchange Commission and the Illinois Securities Commissioner.

PLEASE ANSWER ALL QUESTIONS COMPLETELY AND EXECUTE THE SIGNATURE PAGE.

IF THE SHARES ARE BEING PURCHASED FOR THE ACCOUNT OF MORE THAN ONE INDIVIDUAL, EACH INDIVIDUAL MUST COMPLETE A SEPARATE QUESTIONNAIRE.

A. Personal

1. Name: _____

2. Address of Principal Residence: _____

_____ County: _____

3. Residence Telephone: (_____) _____

4. Email Address: _____

5. Where are you registered to vote?

6. Your driver's license is issued by the following state: _____

7. Other Residences or Contacts: Please identify any other state where you own a residence, are registered to vote, pay income taxes, hold a driver's license or have any other contacts, and describe your connection with such state:

8. Date of Birth: _____

9. Citizenship: _____

B. Income

1. During each of the past two years, was your individual income from all sources in excess of \$200,000 or your joint income with your spouse in excess of \$300,000?

Yes No

2. Do you reasonably expect to reach income in excess of the foregoing threshold during the current year?

Yes No

C. Net Worth

Will your net worth as of the date you purchase the Company's securities, together with the net worth of your spouse, be in excess of \$1,000,000? (Note that "net worth" excludes the value of your principal residence and is further reduced to the extent, if any, that the indebtedness secured by a mortgage on such residence exceeds the fair market value of such residence.)

Yes No

D. Represented by Counsel

Are you represented by legal counsel in connection with the transactions contemplated by this Subscription Agreement.

Yes No

E. Prospective Investor's Representations

The information contained in this Questionnaire is true and complete, and the undersigned understands that the Company and its counsel will rely on such information for the purpose of complying with all applicable securities laws, as discussed above. The undersigned agrees to notify the Company promptly of any change in the foregoing information which may occur prior to any purchase by the undersigned of securities from the Company.

Date: _____, 20__

Prospective Investor:

Signature

(Print Name of Person Signing)

Disclosure Schedule

This Disclosure Letter (the “Disclosure Letter”) is delivered pursuant to that certain Stock Purchase Agreement, dated as of November 3, 2016 (the “Agreement”), by and among Stratitude Inc., (the “Company”), the Shareholders of Stratitude Inc. (the “Sellers”), and Quadrant 4 System Corporation (the “Purchaser”). The numbered and lettered sections of this Disclosure Letter correspond to the numbered and lettered sections contained in Article III of the Agreement. Any disclosures made under the heading of one section of this Disclosure Letter shall apply to and/or qualify disclosures made under one or more other sections only to the extent it is readily apparent from a reading of such disclosure that such disclosure is applicable to such other section or sections. Unless otherwise defined, any capitalized terms in this Disclosure Letter shall have the same meanings assigned to such terms in the Agreement.

Nothing in this Disclosure Letter is intended to broaden the scope of any representation or warranty contained in the Agreement or to create any covenant. Inclusion of any item in this Disclosure Letter shall not constitute, or be deemed to be, an admission by the Company that (a) such item is material or establish a standard of materiality, or (b) such item did not arise in the ordinary course of business.

3.1 Organization and Qualification of the Company

The Company is not duly qualified to do business as a foreign corporation in any jurisdiction.

3.2(a) Additional Equity Interests

None.

3.2(b) Subsidiaries

None.

3.3(a) Capitalization

Name of Shareholder	Number of Common Shares (1,000,000 authorized shares of Common Stock)	Percentage Interest
Pankaj Kalra	393,939	39.3939%
Ashish Sanan	393,939	39.3939%
Khannan Sankaran	212,122	21.2122%
Total:	1,000,000	100%

3.5(a) No Conflict

The following lease agreements shall be the “Landlord Leases” and each a “Landlord Lease.”

- Lease agreement between West State Co, LP (Landlord) and Stratitude, Inc. (Tenant) for 6601 Koll Center Parkway, Suite 132 – dated January 8, 2015
- Lease agreement among Murco Plaza (Lessor) and Agama Solutions, Inc. and Agilocity, Inc. for Suites in Murco Plaza in Fremont – dated March 14, 2013, as amended by that certain First Amendment to Lease, by and among Murco Management (Lessor) and Agama Solutions, Inc. and Stratitude, Inc. (Lessee) – dated September 27, 2016 and valid through October 31, 2019

3.6(a) Consents

Fremont Bank Line Of Credit and Term Loan for Stratitude & Agama Solutions.

The Landlord Leases.

3.6(b) Government Consents

None.

3.7 Financials

The following financial documents are attached as **Exhibit A**:

- The Consolidated Income Statement for Agama Solutions, Inc. (“Agama”) and Stratitude from January through June of 2016
- The Consolidated Balance Sheet for Agama and Stratitude as of June 30, 2016
- The Statement of Cash flow for Stratitude for January through June of 2016
- The Statement of Cash flow for Agama for January through June of 2016
- The 2015 Statement of Cash Flow for Stratitude
- The 2015 Statement of Cash Flow for Agama
- The 2015 Profit and Loss Statement for Stratitude
- The 2015 Profit and Loss Statement for Agama
- The 2015 Balance Sheet for Stratitude
- The 2015 Balance Sheet for Agama
- The 2014 Statement of Cash Flow for Stratitude
- The 2014 Statement of Cash Flow for Agama
- The 2014 Profit and Loss Statement for Stratitude
- The 2014 Profit and Loss Statement for Agama
- The 2014 Balance Sheet for Stratitude
- The 2014 Balance Sheet for Agama

3.11(a) Leased Real Property

The Company is a party to the following leases:

- Lease agreement between West State Co, LP (Landlord) and Stratitude, Inc. (Tenant) for 6601 Koll Center Parkway, Suite 132 – dated January 8, 2015
- Lease agreement among Murco Plaza (Lessor) and Agama Solutions, Inc. and Agilocity, Inc. for Suites in Murco Plaza in Fremont – dated March 14, 2013, as amended by that certain First Amendment to Lease, by and among Murco Management (Lessor) and Agama Solutions, Inc. and Stratitude, Inc. (Lessee) – dated September 27, 2016 and valid through October 31, 2019.

3.11(b) Owned Real Property

None.

3.12(a) Registered Intellectual Property

Domain Name	Registrant
www.stratitude.com	GoDaddy Account #5444459 Login: 544459 Password: Aso19300!
www.agamasolutions.com	GoDaddy Account #20109207 Login: agamahosting Password: Rev@mped@2014

3.12(d) License Agreements

The Company has Zen (SaaS Product) licensing agreements with the following companies:

- MDVIP – A Procter & Gamble Company (Paid License User) – dated June 21, 2013
- PUBLIC CONSULTING GROUP (PCG) (Paid License User) – dated September 23, 2014

3.13 (a)

Stratitude has Contracts with the following customers in excess of \$75,000.00 per annum:

- Advantage Technical Resourcing Supplier Profile with Stratitude, Inc. - dated Jan 26th 2015
- Armando Montelongo Master Services Agreement with Stratitude dated April 19th 2012
- BCBS/Zerochaos/Guide Well Incepture ZeroChaos Transfer Agreement between

Stratitute & APC Workforce Solutions LLC DBA Zerochaos – dated December 15, 2014

- DataInc.11052014 Master Services agreement between Stratitute & Data Inc. - dated November 5, 2014.
- Elastic Search Master Services Agreement between Stratitute and Elastic Search – Dated May 5, 2015
- Master Services Agreement between FireEye Inc. and Stratitute Inc. – dated January 13, 2016
- Master Services Agreement between LoringWard/LWI Financial Inc. and Stratitute, Inc. – dated June 15, 2015
- Master Services Agreement between Model N, Inc. and Stratitute, Inc. – dated January 4, 2013
- Master Services Agreement between Shoretel and Stratitute – dated November 3, 2014
- Master Services Agreement between Silver Spring Networks and Stratitute – dated November 2, 2015
- Master Services Agreement between Tavant Technologies and Stratitute – dated May 3, 2013
- Stratitute Subcontracting Agreement with Tech Mahindra Americas Inc. – dated April 17, 2015
- Master Services Agreement between Tesla Motors and Stratitute – dated June 15, 2015
- Ultra Clean Technology Staffing Agreement 12152015 with Stratitute - Dated June 24, 2014

Stratitute has Contracts with the following suppliers in excess of \$75,000.00 per annum:

- Master Services Agreement between Baanyan Software Services Inc. and Stratitute – dated November 8, 2014
- Master Services Agreement between E-Base Technologies Inc. and Stratitute – dated November 26, 2014
- Master Services Agreement between Elite Innovative Solutions Inc. and Stratitute – dated May 15, 2014
- Master Services Agreement between Enterprise Pals Inc. and Stratitute – dated August 7, 2014.

- Master Services Agreement between Eternity Systems Inc. and Stratitude – dated March 4, 2015
- Master Services Agreement between Kolla Soft Inc. and Stratitude – dated May 21, 2015
- Master Services Agreement between Prodiem Consulting LLC and Stratitude – dated December 10, 2014.
- Master Services Agreement between Sugo Inc. and Stratitude – dated March 27, 2015
- Master Services Agreement between Tabner Inc. and Stratitude – dated February 24, 2015
- Master Services Agreement between Taproot Solutions and Stratitude – dated April 15, 2015
- Master Services Agreement between Virtue Group LLC and Stratitude – dated March 3, 2015
- Master Services Agreement between Z Network Engineering LLC and Stratitude – dated May 19, 2015
- Master Services Agreement between Ziontech Solutions Inc. and Stratitude – dated March 13, 2015

Agama has Contracts with the following customers in excess of \$75,000.00 per annum

- Master Services Agreement between Abovo Inc and Agama Solutions dated April 27, 2011.
- Master Services Agreement between Advantis Global Inc. and Agama Solutions – dated May 14, 2009
- Master Services Agreement between Alpha Net and Agama Solutions – dated March 13, 2015
- Services Agreement between Apex Systems and Agama Solutions – dated May 29, 2013
- Master Services Agreement between Ascent Services Group and Agama Solutions dated April 3, 2009.
- Master Services Agreement and PO between Avalon Staffing, LLC and Agama Solutions – dated November 5, 2013

- Master Services Agreement between Beacon Hill Staffing and Agama Solutions – dated May 14, 2011
- Master Services Agreement between Blackstone Technology and Agama Solutions – dated January 31, 2008
- Master Services Agreement between CES USA and Agama Solutions – dated January 23, 2015
- Master Services Agreement between CSI and Agama Solutions – dated January 7, 2016
- Master Services Agreement between IBA software Technologies, Inc and Agama Solutions – dated April 8, 2010
- Master Services Agreement between Judge Group and Agama Solutions – dated January 31, 2012
- Master Services Agreement between K-force and Agama Solutions – dated July 31, 2009
- Master Services Agreement between M.I.S.I. Co., Ltd and Agama Solutions – dated June 16, 2011
- Master Services Agreement between Mainz Brady Group and Agama Solutions – dated May 2, 2011
- Master Services Agreement between Matrix Resources and Agama Solutions – dated December 23, 2013
- Master Services Agreement Addendum between Maveric Testing Solutions Ltd and Agama Solutions – dated June 25, 2014
- Master Services Agreement between Modis and Agama Solutions – dated October 10, 2013
- Master Services Agreement between Polaris Consulting & Services and Agama Solutions – dated April 11, 2013
- Master Services Agreement between Randstad and Agama Solutions – dated January 24, 2013
- Master Services Agreement between Red Oak Technologies and Agama Solutions – dated January 8, 2014
- Master Services Agreement between Robert Gatto Associates and Agama Solutions – dated March 16, 2010

- Master Services Agreement between SA Technologies and Agama Solutions – dated August 8, 2012
- Master Services Agreement between Sigma Resources LLC and Agama Solutions – dated May 11, 2009
- Master Services Agreement between Signature Consultant and Agama Solutions – dated March 4, 2015
- Master Services Agreement between Smartworks LLC and Agama Solutions – dated September 28, 2015
- Master Services Agreement between Solugenix Corp and Agama Solutions – dated January 11, 2008
- Master Services Agreement between Spire Systems Inc. and Agama Solutions – dated October 15, 2007
- Master Services Agreement between Strategic Staffing Solutions/Wells Fargo and Agama Solutions – dated June 12, 2013
- Master Services Agreement between Tac Worldwide/Advantage and Agama Solutions – dated October 13, 2014
- Master Services Agreement between Talent Space and Agama Solutions – dated March 24, 2014
- Master Services Agreement between Tavant Technologies and Agama Solutions – dated March 15, 2013
- Master Services Agreement between Teamsoft Technologies LLC and Agama Solutions – dated February 4, 2014
- Master Services Agreement between Technisource and Agama Solutions – dated February 24, 2009
- Master Services Agreement between Vaco Technology and Agama Solutions – dated March 14, 2012
- Master Services Agreement between Xoriant Inc. and Agama Solutions – dated May 7, 2010
- Master Services Agreement between Yoh Services LLC and Agama Solutions – dated July 12, 2016

Agama has Contracts with the following suppliers in excess of \$75,000.00 per annum:

- Master Services Agreement and PO between Copper Mobile Inc. and Agama Solutions – dated April 14, 2014
- Master Services Agreement between Red Mesa, LLC and Agama Solutions – dated January 9, 2016
- Master Services Agreement between Woodstar Inc. (Shayde Christian) and Agama Solutions – dated June 23, 2015.
- Master Services Agreement between Thebe Inc. and Agama Solutions – March 9, 2015
- Master Services Agreement between Webster Consulting Services LLC and Agama Solutions – dated January 31, 2014

3.14(a) Litigation

None.

3.16(a) Permits

The Company has the following Permits:

- Annual City of Pleasanton Business License
- Annual City of Fremont Business License

No filings are required for Change of Control.

3.16(b) Other Person Authorization

None.

3.17 Insurance

The Company has the following insurance policies, each of which is in full force and effect as of the date hereof:

- An Insurance Policy with General Sentinel Insurance Company that includes:
 - o General Liability
 - o Blanket Contractual
 - o Tech E&O & Cyber
 - o Automobile Liability
 - o Umbrella Liability
 - o Workers Compensation and Employers Liability

- Third Party Crime Insurance through Hartford Fire Insurance Co.
- Medical Insurance through United Healthcare
- Health Insurance through Cigna
- Dental Insurance through Guardian Dental
- Vision Insurance through Guardian Vision

There are no pending claims under any of these policies.

3.19(g) Employment Matters

List of employees terminated in the past three (3) years or whose hours of work have been reduced by more than fifty percent (50%) in the prior three (3) years:

Name	Date of Termination	Reason for Termination	Base Salary and Bonus/Commission	Release of Claims or other Separation Agreement	Work Location
Karene Conlin	10/31/2014	Lack of Performance	\$7,083.34/month	Release Agreement	Fremont, CA
Mark J. Cunningham	12/04/2014	Lack of Performance	\$6,250.00/month	N/A	Fremont, CA
Sanket Jain	08/22/2014	Lack of Performance	\$3,000.00/month	N/A	Fremont, CA
Shilpa Abani	12/31/2015	Lack of Performance	\$3,167.00/month	N/A	Pleasanton, CA
Swati Dixit	05/04/2016	Lack of Performance	\$3,750.00/month	N/A	Pleasanton, CA
Karthik Reballi	07/08/2016	Absconding	\$43.50/hour	N/A	El Dorado Hills, CA
Shuyang Zhang	07/28/2016	Relocated to China without notice	\$30.00/hour	N/A	Sacramento, CA

3.20(a) Employee Plans

The Company has the following employee plans:

- Medical Insurance through United Healthcare

- Dental Insurance through Guardian
- Vision Insurance through Guardian
- 401K (Only Employee Contribution)

3.24 Bank Accounts

The Company has the following Bank Accounts:

- Fremont Bank 2971437 (Checking – Check, ACH, wire)
- Fremont Bank 2971496 (Payroll)
- Bank of America 0663512310 (Checking – online payment)

3.26 Customers and Suppliers

Material Customers:

1. Kforce - \$2,305,364.69 in revenue
2. Strategic Staffing Solutions - \$1,817,842.51 in revenue
3. FireEye Inc. - \$1,747,965.00 in revenue
4. TCS/CMCA - \$936,489.00 in revenue
5. Tech Mahindra Americas Inc. - \$776,265.00 in revenue
6. Apex Systems – 686,358.38 in revenue
7. Talent Space - \$553,973.90 in revenue
8. Ascent Services Group - \$533,811.90 in revenue
9. Avalon Staffing, LLC - \$512,211.46 in revenue
10. Tac Worldwide/Advantage Technical - \$450,902.46 in revenue

Material Suppliers:

1. Woodstar Inc. - \$286,519.25 in costs
2. Kolla Soft Inc. - \$203,940.00 in costs
3. Eternity Systems Inc. - \$202,975.00 in costs
4. Droisys Inc. - \$197,030.00 in costs
5. Tabner Inc. - \$182,505.00 in costs
6. Taproot Solutions - \$168,693.00 in costs
7. SRK Systems Inc. - \$117,120.00 in costs
8. GSR Technologies, Inc. - \$86,064.00 in costs
9. Z Network Engineering LLC - \$81,840.00 in costs
10. Red Mesa, LLC - \$79,040.00 in costs

6.3 Material Action

None.

6.9 Terminate Contracts

None.

10.1 Additional Permitted Liens

None.

EXHIBIT A

FINANCIAL DOCUMENTS

[see attached]

AGAMA SOLUTIONS, INC.
Statement of Cash Flows
January through June 2016

Jan - Jun 16

OPERATING ACTIVITIES	
Net Income	193,268.22
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	334,010.15
Employee Advance	-7,269.67
Prepaid Expense	-52,834.09
Security Deposit	-4,856.00
Short Term Loan	100,000.00
Unbilled Revenue	-221,031.00
Accounts Payable	-22,593.15
AMEX- CC A/C#51001	8,264.47
Capital One- #3699	-5,653.81
Capital One - #2760	10,319.68
Fremont Bank - First Bankcard	2,994.85
Accrued Expense	26,327.07
Payroll Liabilities	-26,672.89
Salary Payable	-48,165.35
Training Fee (Refundable)	-5,500.00
Net cash provided by Operating Activities	280,608.48
INVESTING ACTIVITIES	
Accum. Dep.- Equipments	5,451.00
Accum. Dep.- Furniture & Fix.	114.00
Accum. Dep.- Mini Van	594.00
Office Equipment	-2,647.68
Net cash provided by Investing Activities	3,511.32
Shareholder Distributions	-309,845.00
Net cash provided by Financing Activities	-309,845.00
Net cash increase for period	-25,725.20
Cash at beginning of period	379,812.27
Cash at end of period	354,087.07

Stratitide Inc
Statement of Cash Flows
January through June 2016

Jan - Jun 16

OPERATING ACTIVITIES	
Net Income	-70,873.46
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	31,481.23
Unbilled Revenue	-55,982.00
Employee Advance	2,276.15
Prepaid Expense	12,472.09
Accounts Payable	-64,943.79
Fremont Bank - First Bankcard	-4,221.59
AMEX-51001	-24,361.36
Fremont Bank - Line of Credit	250,000.00
Refundable Short Term Loan	-100,000.00
Accrued Expense	38,252.50
Accrued Payroll & Taxes Payable: Net Payroll Payable	26,837.08
Accrued Payroll & Taxes Payable: Tax Liability	-4,958.38
Net cash provided by Operating Activities	35,978.47
INVESTING ACTIVITIES	
Acc. Amt. Asset - Zen	7,728.48
Acc. Amt. Asset - AJILE	16,559.52
Acc. Depr. Furniture	600.00
Acc. Depr. Office Equipment	834.00
Acc. Depr. Computer	1,512.00
Computer	-1,530.82
Net cash provided by Investing Activities	25,703.18
FINANCING ACTIVITIES	
Shareholder Distribution	-1,131.00
Net cash provided by Financing Activities	-1,131.00
Net cash increase for period	60,550.65
Cash at beginning of period	321,306.51
Cash at end of period	381,857.16

Profit & Loss
January through June 2016

	AGAMA	STRATITUDE
	<u>Jan - Jun 16</u>	<u>Jan - Jun 16</u>
Ordinary Income/Expense		
Income		
Consulting		
Customer Discount	-3,995.83	-200.00
Consulting - Other	5,845,266.08	2,507,796.88
Total Consulting	5,841,270.25	2,507,596.88
Reimbursement Income	-5,371.67	-252.36
Total Income	5,835,898.58	2,507,344.52
Cost of Goods Sold		
Consultant Salary	3,360,013.33	933,508.79
Consultant Salary - Sick Leave	66,380.00	
Consultants - Payroll Tax	227,178.03	70,755.08
Outside Service	471,752.48	993,460.25
Total COGS	4,125,323.84	1,997,724.12
Gross Profit	1,710,574.74	509,620.40
Expense		
Advertisement		
Business Advertisement	16,986.12	15,475.93
Total Advertisement	16,986.12	15,475.93
Amortization		24,288.00
Auto Insurance	4,094.27	
Auto Lease	23,088.25	3,601.44
Automobile Expense	1,319.99	
Bank Service Charges	2,650.63	1,563.63
Business License Fee	600.00	
Business Promotion	2,463.84	
Depreciation Expense	7,344.00	2,946.00
Dues and Subscriptions		1,199.28
Gift Expense		1,902.53
Insurance Expense		
Disability Insurance		2,118.57
Health Insurance	66,254.04	38,730.60
Professional Liability Ins.	5,112.00	4,703.90
WC/Gen Liability Insurance	23,275.40	2,773.70
Total Insurance Expense	94,641.44	48,326.77
Interest Expense	2,764.03	5,239.75
Internet & Cable Charges	9,193.14	704.16
Legal Fee		
Attorney Fee	42,271.01	10,269.00

	<u>Jan - Jun 16</u>	<u>Jan - Jun 16</u>
H1 Processing Fee	38,252.00	8,820.00
Immigration Fee	3,486.00	
Total Legal Fee	84,009.01	19,089.00
Office Expenses	29,481.29	10,523.13
Office Supplies	3,856.09	
Outside Service - G&A	71,397.00	13,084.00
Outside Service - Recruiting	2,240.00	35,925.80
Payroll Expense	11,515.32	1,613.59
Payroll Taxes - SG&A	55,127.62	24,010.31
Payroll/Salaries		
Commission	295,023.00	76,246.65
Salary-G&A	182,251.20	81,000.00
Salary-Management	139,800.00	60,000.00
Salary-Marketing	159,017.26	82,067.99
Salary-Recruiting	107,500.00	36,000.00
Salary-Training	92,230.20	
salary-Vacation	30,818.00	12,328.00
Total Payroll/Salaries	1,006,639.66	347,642.64
Placement Expenses	3,729.78	6,825.94
Postage	3,206.13	258.07
Professional Fees	17,366.00	1,680.00
Relocation Expense	8,000.00	
Rent Expense	132,012.03	19,993.17
Staff Meals & Promotion	547.84	
Staff Medical Expense	1,142.00	254.95
Taxes		
City	16,583.84	1,721.29
State	15,372.76	1,483.92
Total Taxes	31,956.60	3,205.21
Telephone/Communication Exp.	11,901.19	5,884.12
Training & Education Expense	23,498.00	
Training, Boarding & Lodging	7,096.58	
Travel Expense		
Lodge	5,087.97	819.92
Meal	13,187.56	7,699.09
Transportation	7,624.70	8,437.51
Travel	24,081.92	980.92
Total Travel Expense	49,982.15	17,937.44
Utilities	3,105.52	
Total Expense	1,722,955.52	613,174.86
Net Ordinary Income	-12,380.78	-103,554.46
Net Income	-12,380.78	-103,554.46

Profit & Loss
January through June 2016

INTER-CO.

Jan - Jun 16

Ordinary Income/Expense	
Income	
Consulting	
Customer Discount	
Consulting - Other	-267,591.00
Total Consulting	-267,591.00
Reimbursement Income	
Total Income	-267,591.00
Cost of Goods Sold	
Consultant Salary	
Consultant Salary - Sick Leave	
Consultants - Payroll Tax	
Outside Service	-183,110.00
Total COGS	-183,110.00
Gross Profit	-84,481.00
Expense	
Advertisement	
Business Advertisement	
Total Advertisement	
Amortization	
Auto Insurance	
Auto Lease	
Automobile Expense	
Bank Service Charges	
Business License Fee	
Business Promotion	
Depreciation Expense	
Dues and Subscriptions	
Gift Expense	
Insurance Expense	
Disability Insurance	
Health Insurance	
Professional Liability Ins.	
WC/Gen Liability Insurance	
Total Insurance Expense	
Interest Expense	
Internet & Cable Charges	
Legal Fee	
Attorney Fee	

Ordinary Income/EHx1pPenroscessing Fee	
Immigration Fee	
Total Legal Fee	
Office Expenses	
Office Supplies	
Outside Service - G&A	-84,481.00
Outside Service - Recruiting	
Payroll Expense	
Payroll Taxes - SG&A	
Payroll/Salaries	
Commission	
Salary-G&A	
Salary-Management	
Salary-Marketing	
Salary-Recruiting	
Salary-Training	
salary-Vacation	
Total Payroll/Salaries	
Placement Expenses	
Postage	
Professional Fees	
Relocation Expense	
Rent Expense	
Staff Meals & Promotion	
Staff Medical Expense	
Taxes	
City	
State	
Total Taxes	
Telephone/Communication Exp.	
Training & Education Expense	
Training, Boarding & Lodging	
Travel Expense	
Lodge	
Meal	
Transportation	
Travel	
Total Travel Expense	
Utilities	
Total Expense	-84,481.00
Net Ordinary Income	0.00
Net Income	0.00

Profit & Loss
January through June 2016

TOTAL

Jan - Jun 16

Ordinary Income/Expense	
Income	
Consulting	
Customer Discount	-4,195.83
Consulting - Other	8,085,471.96
Total Consulting	8,081,276.13
Reimbursement Income	-5,624.03
Total Income	8,075,652.10
Cost of Goods Sold	
Consultant Salary	4,293,522.12
Consultant Salary - Sick Leave	
Consultants - Payroll Tax	297,933.11
Outside Service	1,282,102.73
Total COGS	5,939,937.96
Gross Profit	2,135,714.14
Expense	
Advertisement	
Business Advertisement	32,462.05
Total Advertisement	32,462.05
Amortization	24,288.00
Auto Insurance	4,094.27
Auto Lease	26,689.69
Automobile Expense	1,319.99
Bank Service Charges	4,214.26
Business License Fee	600.00
Business Promotion	2,463.84
Depreciation Expense	10,290.00
Dues and Subscriptions	1,199.28
Gift Expense	1,902.53
Insurance Expense	
Disability Insurance	2,118.57
Health Insurance	104,984.64
Professional Liability Ins.	9,815.90
WC/Gen Liability Insurance	26,049.10
Total Insurance Expense	142,968.21
Interest Expense	8,003.78
Internet & Cable Charges	9,897.30
Legal Fee	
Attorney Fee	52,540.01

	Jan - Jun 16
Ordinary Income/EHx1pPenroscessing Fee	47,072.00
Immigration Fee	3,486.00
Total Legal Fee	103,098.01
Office Expenses	40,004.42
Office Supplies	3,856.09
Outside Service - G&A	0.00
Outside Service - Recruiting	38,165.80
Payroll Expense	13,128.91
Payroll Taxes - SG&A	79,137.93
Payroll/Salaries	
Commission	371,269.65
Salary-G&A	263,251.20
Salary-Management	199,800.00
Salary-Marketing	241,085.25
Salary-Recruiting	143,500.00
Salary-Training	92,230.20
salary-Vacation	43,146.00
Total Payroll/Salaries	1,354,282.30
Placement Expenses	10,555.72
Postage	3,464.20
Professional Fees	19,046.00
Relocation Expense	8,000.00
Rent Expense	152,005.20
Staff Meals & Promotion	547.84
Staff Medical Expense	1,396.95
Taxes	
City	18,305.13
State	16,856.68
Total Taxes	35,161.81
Telephone/Communication Exp.	17,785.31
Training & Education Expense	23,498.00
Training, Boarding & Lodging	7,096.58
Travel Expense	
Lodge	5,907.89
Meal	20,886.65
Transportion	16,062.21
Travel	25,062.84
Total Travel Expense	67,919.59
Utilities	3,105.52
Total Expense	2,251,649.38
Net Ordinary Income	-115,935.24
Net Income	-115,935.24

AGAMA SOLUTIONS, INC.
Statement of Cash Flows
January through December 2014

Jan - Dec 14

OPERATING ACTIVITIES	
Net Income	555,297.32
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	-54,067.31
Employee Advance	2,257.71
Loan Recoverable	73,302.00
Prepaid Expense	-75,406.10
Security Deposit	-600.00
Short Term Loan	69,000.00
Unbilled Revenue	-153,011.55
Accounts Payable	-96,509.84
BOA-Ashish Sanan CC A/C#9580	13,092.84
BOA Visa Award - 5221	5,320.90
Capital One-Tanu Kalra #3699	3,972.53
Capital One - Sanan#2760	2,156.11
Accrued Expense	6,969.00
Payroll Liabilities	21,023.64
Salary Payable	201,475.39
Training Fee (Refundable)	44,000.00
Net cash provided by Operating Activities	618,272.64
INVESTING ACTIVITIES	
Accum. Dep.- Equipments	10,664.00
Accum. Dep.- Furniture & Fix.	240.00
Accum. Dep.- Mini Van	1,188.00
Office Equipment	-7,538.54
Net cash provided by Investing Activities	4,553.46
FINANCING ACTIVITIES	
Capital Stock: Ashish Sanan	265.50
Capital Stock: Khannan Sankaran	143.00
Capital Stock: Pankaj Kalra	265.50
Capital Stock: Shalesh Jawa	-674.00
Shareholder Distributions: Ashish Sanan	-115,000.00
Shareholder Distributions: Khannan Sankaran	-61,000.00
Shareholder Distributions: Pankaj Kalra	-115,000.00
Shareholder Distributions: Shalesh Jawa	-136,538.00
Net cash provided by Financing Activities	-427,538.00
Net cash increase for period	195,288.10
Cash at beginning of period	156,038.77
Cash at end of period	351,326.87

AGAMA SOLUTIONS, INC.
Statement of Cash Flows
January through December 2015

Jan - Dec 15

OPERATING ACTIVITIES	
Net Income	830,356.73
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	-103,930.84
Employee Advance	-12,930.01
Prepaid Expense	-34,210.42
Security Deposit	-100.00
Short Term Loan	151,700.00
Unbilled Revenue	188,992.00
Accounts Payable	1,435.69
BOA-Ashish Sanan CC A/C#9580	-13,216.38
BOA Visa Award - 5221	-5,187.06
Capital One-Tanu Kalra #3699	3,943.25
Capital One - Sanan#2760	1,221.49
Fremont Bank - First Bankcard	11,523.40
Accrued Expense	-3,934.62
Payroll Liabilities	-12,559.69
Salary Payable	-31,512.51
Training Fee (Refundable)	-70,665.00
Net cash provided by Operating Activities	900,926.03
INVESTING ACTIVITIES	
Accum. Dep.- Equipments	10,908.00
Accum. Dep.- Furniture & Fix.	334.00
Accum. Dep.- Mini Van	1,183.00
Office Equipment	-3,653.63
Net cash provided by Investing Activities	8,771.37
FINANCING ACTIVITIES	
Capital Stock: Ashish Sanan	79.25
Capital Stock: Khannan Sankaran	42.50
Capital Stock: Pankaj Kalra	79.25
Capital Stock: Shalesh Jawa	-201.00
Shareholder Distributions: Ashish Sanan	-329,334.00
Shareholder Distributions: Khannan Sankaran	-178,262.00
Shareholder Distributions: Pankaj Kalra	-329,334.00
Shareholder Distributions: Shalesh Jawa	-44,282.00
Net cash provided by Financing Activities	-881,212.00
Net cash increase for period	28,485.40
Cash at beginning of period	351,326.87
Cash at end of period	379,812.27

AGAMA SOLUTIONS, INC.**Profit & Loss**

January through December 2014

**Accrual Basis
TOTAL**

Ordinary Income/Expense	
Income	
Consulting	
Customer Discount	-28,608.25
Consulting - Other	12,150,050.43
Total Consulting	12,121,442.18
Reimbursement Income	3,793.08
Training Fee	10,000.00
Total Income	12,135,235.26
Cost of Goods Sold	
Consultant Salary	7,406,441.33
Consultants - Payroll Tax	499,961.47
Outside Service	943,961.58
Total COGS	8,850,364.38
Gross Profit	3,284,870.88
Expense	
Advertisement	
Business Advertisement	23,736.06
Total Advertisement	23,736.06
Auto Insurance	3,605.40
Auto Lease	42,611.37
Automobile Expense	7,250.28
Bad Debts	4,800.00
Bank Service Charges	10,625.74
Business License Fee	350.00
Business Promotion	5,736.15
Charity & Donation	4,594.00
Depreciation Expense	12,092.00
Dues and Subscriptions	1,800.59
Insurance Expense	
Health Insurance	131,350.30
Professional Liability Ins.	6,193.50
WC/Gen Liability Insurance	38,772.63
Insurance Expense - Other	1,928.86
Total Insurance Expense	178,245.29
Interest Expense	14,026.52
Internet & Cable Charges	23,997.51
Legal Fee	
Attorney Fee	58,333.26
H1 Processing Fee	38,517.02

Page 1 of 10

	TOTAL
Immigration Fee	2,036.00
Total Legal Fee	98,886.28
Office Expenses	28,067.29
Office Supplies	7,425.99
Outside Service - G&A	190,874.00
Payroll Expense	9,305.43
Payroll Taxes - SG&A	100,653.01
Payroll/Salaries	
Commission	334,414.46
Salary-G&A	273,833.86
Salary-Management	134,000.00
Salary-Marketing	277,901.66
Salary-Recruiting	133,590.73
Salary-Training	199,505.96
Total Payroll/Salaries	1,353,246.67
Placement Expenses	7,271.64
Postage	5,865.51
Professional Fees	173,611.20
Relocation Expense	20,500.00
Rent Expense	184,523.00
Staff Meals & Promotion	21,754.50
Staff Medical Expense	9,833.41
Taxes	
City	13,074.14
State	22,224.75
Total Taxes	35,298.89
Telephone/Communication Exp.	22,495.27
Training, Boarding & Lodging	13,602.90
Travel Expense	
Lodge	15,097.85
Meal	25,056.07
Transportation	20,916.38
Travel	47,167.35
Total Travel Expense	108,237.65
Utilities	4,655.85
Total Expense	2,729,579.40
Net Ordinary Income	555,291.48
Other Income/Expense	
Other Income	
Interest Earned	5.84
Total Other Income	5.84
Net Other Income	5.84
Net Income	555,297.32

TOTAL

EBITDA

616,708.89

Page 3 of 10

AGAMA SOLUTIONS, INC.**Balance Sheet**

As of December 31, 2014

Accrual Basis**Dec 31, 14****ASSETS**

Current Assets	
Checking/Savings	
Bank of America - Checking-0313	351,326.87
Total Checking/Savings	351,326.87
Accounts Receivable	
Accounts Receivable	1,391,181.46
Total Accounts Receivable	1,391,181.46
Other Current Assets	
Employee Advance	3,200.00
Prepaid Expense	104,947.92
Security Deposit	16,535.00
Short Term Loan	251,700.00
Unbilled Revenue	205,145.00
Total Other Current Assets	581,527.92
Total Current Assets	2,324,036.25
Fixed Assets	
Accum. Dep.- Equipments	-40,116.00
Accum. Dep.- Furniture & Fix.	-1,770.00
Accum. Dep.- Mini Van	-5,338.00
Furniture & Fixtures	3,153.60
Minivan	8,300.00
Office Equipment	71,988.59
Total Fixed Assets	36,218.19
TOTAL ASSETS	<u>2,360,254.44</u>

LIABILITIES & EQUITY

Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	144,116.91
Total Accounts Payable	144,116.91
Credit Cards	29,275.02
Other Current Liabilities	
Accrued Expense	9,849.00
Excess Pyt. Refundable Account	15,350.88
Payroll Liabilities	81,940.81
Salary Payable	764,846.55
Training Fee (Refundable)	89,665.00
Total Other Current Liabilities	961,652.24
Total Current Liabilities	<u>1,135,044.17</u>

	Dec 31, 14
Total Liabilities	1,135,044.17
Equity	
Capital Stock	
Ashish Sanan	1,890.50
Khannan Sankaran	1,018.00
Pankaj Kalra	1,890.50
Shalesh Jawa	201.00
Total Capital Stock	5,000.00
Retained Earnings	2,361,292.95
Shareholder Distributions	-1,696,380.00
Net Income	555,297.32
Total Equity	1,225,210.27
TOTAL LIABILITIES & EQUITY	2,360,254.44

AGAMA SOLUTIONS, INC.**Profit & Loss**

January through December 2015

**Accrual Basis
TOTAL**

Ordinary Income/Expense	
Income	
Consulting	
Customer Discount	-4,835.27
Consulting - Other	12,656,171.88
Total Consulting	12,651,336.61
Reimbursement Income	-1,811.75
Training Fee	111,667.00
Total Income	12,761,191.86
Cost of Goods Sold	
Consultant Salary	7,751,375.74
Consultants - Payroll Tax	509,073.61
Outside Service	857,684.03
Total COGS	9,118,133.38
Gross Profit	3,643,058.48
Expense	
Advertisement	
Business Advertisement	36,698.92
Total Advertisement	36,698.92
Auto Insurance	2,869.71
Auto Lease	47,468.03
Automobile Expense	5,005.67
Bad Debts	2,595.00
Bank Service Charges	9,048.01
Business License Fee	600.00
Business Promotion	4,211.07
Charity & Donation	6,600.00
Depreciation Expense	12,425.00
Dues and Subscriptions	1,395.21
Insurance Expense	
Health Insurance	102,263.00
Professional Liability Ins.	9,187.00
WC/Gen Liability Insurance	51,176.44
Insurance Expense - Other	1,735.61
Total Insurance Expense	164,362.05
Interest Expense	15,976.18
Internet & Cable Charges	24,216.31
Legal Fee	
Attorney Fee	93,253.52
H1 Processing Fee	71,025.00

Page 6 of 10

	TOTAL
Immigration Fee	7,876.00
Total Legal Fee	172,154.52
Office Expenses	45,929.98
Office Supplies	5,726.12
Outside Service - G&A	151,306.00
Outside Service - Marketing	13,372.86
Outside Service - Recruiting	25,902.34
Payroll Expense	9,257.96
Payroll Taxes - SG&A	93,173.70
Payroll/Salaries	
Commission	358,054.68
Salary-G&A	322,029.21
Salary-Management	159,000.00
Salary-Marketing	278,623.43
Salary-Recruiting	136,602.01
Salary-Training	152,389.36
Total Payroll/Salaries	1,406,698.69
Placement Expenses	2,796.78
Postage	4,654.50
Professional Fees	91,817.63
Relocation Expense	21,250.00
Rent Expense	215,531.04
Staff Meals & Promotion	13,620.27
Staff Medical Expense	5,871.61
Taxes	
City	15,524.44
Property Tax	41.41
State	9,594.00
Total Taxes	25,159.85
Telephone/Communication Exp.	21,819.35
Training & Education Expense	6,584.00
Training, Boarding & Lodging	13,225.85
Travel Expense	
Entertainment	6,000.00
Lodge	12,819.97
Meal	25,834.71
Transportation	23,615.08
Travel	59,432.22
Total Travel Expense	127,701.98
Utilities	5,675.56
Total Expense	2,812,701.75
Net Ordinary Income	830,356.73
Net Income	830,356.73

EBITDA

TOTAL

883,917.76

AGAMA SOLUTIONS, INC.**Balance Sheet**

As of December 31, 2015

Accrual Basis**Dec 31, 15****ASSETS**

Current Assets	
Checking/Savings	
Bank of America - Checking-0313	29,762.37
Fremont Bank #1410	343,234.76
Fremont Bank #1429 - Payroll	6,076.19
Paypal	538.95
Petty Cash	200.00
Total Checking/Savings	379,812.27
Accounts Receivable	
Accounts Receivable	1,495,112.30
Total Accounts Receivable	1,495,112.30
Other Current Assets	
Employee Advance	16,130.01
Prepaid Expense	139,158.34
Security Deposit	16,635.00
Short Term Loan	100,000.00
Unbilled Revenue	16,153.00
Total Other Current Assets	288,076.35
Total Current Assets	2,163,000.92
Fixed Assets	
Accum. Dep.- Equipments	-51,024.00
Accum. Dep.- Furniture & Fix.	-2,104.00
Accum. Dep.- Mini Van	-6,521.00
Furniture & Fixtures	3,153.60
Minivan	8,300.00
Office Equipment	75,642.22
Total Fixed Assets	27,446.82
TOTAL ASSETS	2,190,447.74

LIABILITIES & EQUITY

Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	145,552.60
Total Accounts Payable	145,552.60
Total Credit Cards	27,559.72
Other Current Liabilities	
Accrued Expense	5,914.38
Excess Pyt. Refundable Account	15,350.88
Payroll Liabilities	69,381.12

	Dec 31, 15
Salary Payable	733,334.04
Training Fee (Refundable)	19,000.00
Total Other Current Liabilities	842,980.42
Total Current Liabilities	1,016,092.74
Total Liabilities	1,016,092.74
Equity	
Capital Stock	
Ashish Sanan	1,969.75
Khannan Sankaran	1,060.50
Pankaj Kalra	1,969.75
Total Capital Stock	5,000.00
Retained Earnings	2,916,590.27
Shareholder Distributions	-2,577,592.00
Net Income	830,356.73
Total Equity	1,174,355.00
TOTAL LIABILITIES & EQUITY	2,190,447.74

Balance Sheet
As of June 30, 2016

	<u>AGAMA</u> <u>Jun 30, 16</u>	<u>STRATITUDE</u> <u>Jun 30, 16</u>
ASSETS		
Current Assets		
Checking/Savings		
Bank of America - Checking-0313	28,821.22	10,042.36
Fremont Bank #1410	324,607.62	365,851.70
Fremont Bank #1429 - Payroll	-80.72	-20.90
Paypal	538.95	72.52
Petty Cash	200.00	
Total Checking/Savings	<u>354,087.07</u>	<u>375,945.68</u>
Accounts Receivable		
Accounts Receivable	1,161,102.15	894,186.26
Total Accounts Receivable	<u>1,161,102.15</u>	<u>894,186.26</u>
Other Current Assets		
Employee Advance	23,399.68	7,600.95
Prepaid Expense	191,992.43	28,241.05
Security Deposit	21,491.00	3,400.00
Unbilled Revenue	237,184.00	55,982.00
Undeposited Funds		5,984.00
Total Other Current Assets	<u>474,067.11</u>	<u>101,208.00</u>
Total Current Assets	<u>1,989,256.33</u>	<u>1,371,339.94</u>
Fixed Assets		
Acc. Amt. Asset - Zen		-10,304.64
Intangible Asset - Zen		33,490.00
Acc. Amt. Asset - AJILE		-49,678.56
Intangible Asset - AJILE		99,357.00
Accum. Dep.- Equipments	-56,475.00	-32,054.00
Accum. Dep.- Furniture & Fix.	-2,218.00	-6,962.00
Acc. Depr. Computer		-13,511.00
Furniture & Fixtures	3,153.60	9,355.36
Computer		19,626.33
Office Equipment	78,289.90	32,144.22
Total Fixed Assets	<u>22,750.50</u>	<u>81,462.71</u>
TOTAL ASSETS	<u>2,012,006.83</u>	<u>1,452,802.65</u>
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
Accounts Payable	122,959.45	437,745.34
Total Accounts Payable	<u>122,959.45</u>	<u>437,745.34</u>
Credit Cards	43,484.91	1,329.64

	<u>Jun 30, 16</u>	<u>Jun 30, 16</u>
Other Current Liabilities		
Accrued Expense	32,241.45	71,742.50
Excess Pyt. Refundable Account	15,350.88	
Fremont Bank - Line of Credit		250,000.00
Payroll Liabilities	42,708.23	15,080.41
Salary Payable	889,632.69	244,080.01
Training Fee (Refundable)	13,500.00	
Total Other Current Liabilities	<u>993,433.25</u>	<u>580,902.92</u>
Total Current Liabilities	<u>1,159,877.61</u>	<u>1,019,977.90</u>
Total Liabilities	<u>1,159,877.61</u>	<u>1,019,977.90</u>
Equity		
Capital Stock		
Ashish Sanan	1,969.75	39.40
Khannan Sankaran	1,060.50	21.20
Pankaj Kalra	1,969.75	39.40
Total Capital Stock	<u>5,000.00</u>	<u>100.00</u>
Retained Earnings	3,746,947.00	1,194,267.55
Shareholder Distributions	-2,887,437.00	-657,988.34
Net Income	-12,380.78	-103,554.46
Total Equity	<u>852,129.22</u>	<u>432,824.75</u>
TOTAL LIABILITIES & EQUITY	<u><u>2,012,006.83</u></u>	<u><u>1,452,802.65</u></u>

Balance Sheet
As of June 30, 2016

	<u>INTER-CO.</u> <u>Jun 30, 16</u>	<u>CONSOLIDATED</u> <u>Jun 30, 16</u>
ASSETS		
Current Assets		
Checking/Savings		
Bank of America - Checking-0313		38,863.58
Fremont Bank #1410		690,459.32
Fremont Bank #1429 - Payroll		-101.62
Paypal		611.47
Petty Cash		200.00
Total Checking/Savings		730,032.75
Accounts Receivable		
Accounts Receivable	-53,876.00	2,001,412.41
Total Accounts Receivable	-53,876.00	2,001,412.41
Other Current Assets		
Employee Advance		31,000.63
Prepaid Expense		220,233.48
Security Deposit		24,891.00
Unbilled Revenue		293,166.00
Undeposited Funds		5,984.00
Total Other Current Assets		575,275.11
Total Current Assets	-53,876.00	3,306,720.27
Fixed Assets		
Acc. Amt. Asset - Zen		-10,304.64
Intangible Asset - Zen		33,490.00
Acc. Amt. Asset - AJILE		-49,678.56
Intangible Asset - AJILE		99,357.00
Accum. Dep.- Equipments		-88,529.00
Accum. Dep.- Furniture & Fix.		-9,180.00
Acc. Depr. Computer		-13,511.00
Furniture & Fixtures		12,508.96
Computer		19,626.33
Office Equipment		110,434.12
Total Fixed Assets		104,213.21
TOTAL ASSETS	-53,876.00	3,410,933.48
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
Accounts Payable	-53,876.00	506,828.79
Total Accounts Payable	-53,876.00	506,828.79
Credit Cards		44,814.55

	<u>Jun 30 , 16</u>	<u>Jun 30, 16</u>
Other Current Liabilities		
Accrued Expense		103,983.95
Excess Pyt. Refundable Account		15,350.88
Fremont Bank - Line of Credit		250,000.00
Payroll Liabilities		57,788.64
Salary Payable		1,133,712.70
Training Fee (Refundable)		13,500.00
Total Other Current Liabilities		<u>1,574,336.17</u>
Total Current Liabilities	<u>-53,876.00</u>	<u>2,125,979.51</u>
Total Liabilities	<u>-53,876.00</u>	<u>2,125,979.51</u>
Equity		
Capital Stock		
Ashish Sanan		2,009.15
Khannan Sankaran		1,081.70
Pankaj Kalra		2,009.15
Total Capital Stock		<u>5,100.00</u>
Retained Earnings		4,941,214.55
Shareholder Distributions		-3,545,425.34
Net Income		-115,935.24
Total Equity		<u>1,284,953.97</u>
TOTAL LIABILITIES & EQUITY	<u><u>-53,876.00</u></u>	<u><u>3,410,933.48</u></u>

Stratitide Inc
Statement of Cash Flows
January through December 2014

	<u>Jan - Dec 14</u>
OPERATING ACTIVITIES	
Net Income	-257,894.19
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	337,562.38
Unbilled Revenue	-12,588.92
Employee Advance	-6,000.00
Prepaid Expense	-85,081.06
Accounts Payable	144,873.26
AMEX-51001	821.11
AMEX-1003	-225.83
BOA CC #7178	2,927.21
AMEX-1006	-3,057.85
Accrued Expense	2,800.00
BOA-Commercial Line of Credit	90,000.00
Accrued Payroll & Taxes Payable: Net Payroll Payable	42,539.81
Accrued Payroll & Taxes Payable: Tax Liability	7,899.42
Net cash provided by Operating Activities	<u>264,575.34</u>
INVESTING ACTIVITIES	
Intangible Asset - AJILE	-99,357.00
Acc. Depr. Furniture	1,272.00
Acc. Depr. Office Equipment	2,184.00
Acc. Depr. Computer	3,180.00
Net cash provided by Investing Activities	<u>-92,721.00</u>
FINANCING ACTIVITIES	
Shareholder Distribution	-131,963.00
Net cash provided by Financing Activities	<u>-131,963.00</u>
Net cash increase for period	39,891.34
Cash at beginning of period	<u>200,381.99</u>
Cash at end of period	<u><u>240,273.33</u></u>

Stratitute Inc
Statement of Cash Flows
January through December 2015

Jan - Dec 15

OPERATING ACTIVITIES	
Net Income	263,347.23
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	-458,723.24
Unbilled Revenue	30,108.92
Employee Advance	-3,877.10
Prepaid Expense	53,345.04
Accounts Payable	175,097.58
Fremont Bank - First Bankcard	5,551.23
AMEX-51001	23,540.25
BOA CC #7178	-2,927.21
Refundable Short Term Loan	100,000.00
Accrued Expense	30,690.00
BOA-Commercial Line of Credit	-90,000.00
Accrued Payroll & Taxes Payable: Net Payroll Payable	-35,872.69
Accrued Payroll & Taxes Payable: Tax Liability	-7,635.28
Net cash provided by Operating Activities	82,644.73
INVESTING ACTIVITIES	
Acc. Amt. Asset - Zen	2,576.16
Intangible Asset - Zen	-33,490.00
Acc. Amt. Asset - AJILE	33,119.04
Acc. Depr. Furniture	1,194.00
Acc. Depr. Office Equipment	1,754.00
Acc. Depr. Computer	2,843.00
Computer	-2,216.75
Rent Deposit	-2,362.00
Net cash provided by Investing Activities	3,417.45
FINANCING ACTIVITIES	
Shareholder Distribution	38,973.83
Shareholders Contributions	-44,002.83
Net cash provided by Financing Activities	-5,029.00
Net cash increase for period	81,033.18
Cash at beginning of period	240,273.33
Cash at end of period	321,306.51

Stratitute Inc
Profit & Loss
 January through December 2014

	Accrual Basis TOTAL
Ordinary Income/Expense	
Income	
Discount	-11,856.52
Reimbursed Expenses - Income	8,264.50
Service Revenue	3,595,277.01
Total Income	3,591,684.99
Cost of Goods Sold	
Consultants - Payroll Tax	121,865.23
Consultants Salary	1,496,620.82
Project Related Costs	
Outside Consultants	962,096.58
Total Project Related Costs	962,096.58
Total COGS	2,580,582.63
Gross Profit	1,011,102.36
Expense	
Placement Expense	1,840.33
Outside Services	
Outside Service - Recruiting	1,602.00
Total Outside Services	1,602.00
Staff Meal and Promotion	458.42
Staff Medical Expense	1,202.98
Taxes	
City	6,985.14
State	8,430.69
Total Taxes	15,415.83
Automobile Lease	10,822.93
Depreciation Expense	6,636.00
Relocation Expense	500.00
Tax Property	439.91
Payroll Expenses	
Payroll Taxes - SG&A	63,920.92
Salary-G&A	106,192.30
Salary-Management	112,768.80
Salary-Recruiting	89,619.39
Salary-Marketing	319,436.51
Guest House exp	-150.00
Commission	87,621.78
Payroll Service Fees	3,146.96
Total Payroll Expenses	782,556.66
Rent	54,273.30

	TOTAL
Advertising Expense	23,652.09
Marketing Expense	2,858.07
Business License & Fees	779.00
Office Supplies	145.75
Office Expense	41,436.09
Postage and Delivery	242.10
Telephone Expense	10,758.69
Computer and Internet Expense	3,204.18
Dues and Subscriptions	2,327.39
Website Expense	10,000.00
Gift Expense	8,472.79
Conference and Meetings	8,001.40
Contributions	110.00
Insurance	
Auto Insurance	1,500.25
Disability Insurance	2,304.88
General Liability Insurance	12,510.81
Medical Insurance	29,597.92
Worker's Compensation	1,787.06
Insurance - Other	-17.00
Total Insurance	47,683.92
Outside Service	47,734.00
Professional Fees	
Accounting Fees	71,519.16
Legal Fees	8,667.37
Professional Fees - Other	57,283.48
Total Professional Fees	137,470.01
H1B & GC Expense	5,730.78
Automobile Expense	2,348.13
Travel & Entertainment	
Transportation	6,951.28
Lodging	10,508.15
Meals	8,703.60
Travel	6,619.89
Total Travel & Entertainment	32,782.92
Bank Service Charges	2,754.39
Total Expense	1,264,240.06
Net Ordinary Income	-253,137.70
Other Income/Expense	
Other Income	
Interest Income	2.04
Total Other Income	2.04
Other Expense	

	TOTAL
Interest Expense	4,758.53
Total Other Expense	4,758.53
Net Other Income	-4,756.49
Net Income	-257,894.19
EBITDA	-235,842.36

ASSET PURCHASE AGREEMENT

dated as of November 3, 2016

by and between

QUADRANT 4 SYSTEM CORPORATION, AS PURCHASER

AND

GREAT PARENTS ACADEMY, LLC, AS SELLER

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this “**Agreement**”), dated as of November 3, 2016, by and between Quadrant 4 System Corporation, a Illinois corporation (the “**Purchaser**”) and Great Parents Academy, LLC, a Georgia limited liability company (the “**Seller**”).

WHEREAS, the Seller is engaged in the business of providing an educational technology tool to optimize individual student learning environments (the “**Business**”); and

WHEREAS, the Seller wishes to sell to the Purchaser, and the Purchaser wishes to purchase from the Seller, the Business, and in connection therewith the Purchaser is willing to assume from the Seller all of the Assumed Liabilities (as hereinafter defined), all upon the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the promises and the mutual agreements and covenants hereinafter set forth, and intending to be legally bound, the Seller and the Purchaser hereby agree as follows:

ARTICLE I

DEFINITIONS; CONSTRUCTION

1.1 Definitions. When used in this Agreement, the following terms shall have the respective meanings set forth below.

“**Action**” has the meaning set forth in Section 4.9.

“**Affiliate**” means, with respect to any specified Person, any other Person directly or indirectly controlling, controlled by or under common control with such specified Person.

“**Agreement**” has the meaning set forth in the preamble hereto.

“**Ancillary Agreements**” means the Bill of Sale, the Assignment and Assumption Agreement, the Royalty Agreement, the Brice Subscription Agreement and the other agreements, instruments and documents delivered at the Closing.

“**Assigned Contracts**” has the meaning set forth in Section 2.1(d).

“**Assignment and Assumption Agreement**” has the meaning set forth in Section 3.2(b).

“**Assumed Liabilities**” has the meaning set forth in Section 2.3.

“**Bill of Sale**” has the meaning set forth in Section 3.2(a).

“**Books and Records**” means books of account, general, financial, warranty and shipping records, invoices, supplier lists, customer lists, correspondence, engineering, maintenance, operating and production records, advertising and promotional materials and credit records of customers, in each case Related to the Business.

“**Brice Subscription Agreement**” has the meaning set forth in Section 3.2(d).

“**Business**” has the meaning set forth in the recitals hereto.

“**Business Day**” means a day other than a Saturday, Sunday or other day on which banks located in Atlanta, Georgia are authorized or required by Law to close.

“**Business Employee**” means any individual employed by the Seller primarily in connection with the Business.

“**Closing**” has the meaning set forth in Section 3.1.

“**Closing Date**” has the meaning set forth in Section 3.1.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Consideration**” has the meaning set forth in Section 2.5.

“**Contract**” means any legally binding agreement, contract, commitment or arrangement Related to the Business.

“**Current Representations**” has the meaning set forth in Section 8.15.

“**Designated Person**” has the meaning set forth in Section 8.15.

“**Exchange Act**” has the meaning set forth in Section 5.6(a).

“**Excluded Assets**” has the meaning set forth in Section 2.2.

“**Excluded Contracts**” has the meaning set forth in Section 2.2(b).

“**Financial Statements**” has the meaning set forth in Section 4.3.

“**GAAP**” means United States generally accepted accounting principles.

“**Governmental Entity**” means any entity or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to United States federal, state, local, or municipal government, foreign, international, multinational or other government, including any department, commission, board, agency, bureau, official or other regulatory, administrative or judicial authority thereof.

“**In-Bound Licenses**” has the meaning set forth in Section 4.7(d).

“**Indebtedness**” means any indebtedness for borrowed money and any obligations evidenced by bonds, debentures, notes or other similar instruments; provided, however, Indebtedness shall not include any indebtedness for capital leases which are Assigned Contracts.

“**Intellectual Property**” means all of the following anywhere in the world and all legal

right, title or interest in the following arising under Law: (a) patents and applications for patents and all related reissues, reexaminations, divisions, renewals, extensions, provisionals, continuations and continuations in part; (b) copyright registrations and applications, copyrightable works and all other corresponding rights; (c) trade dress and trade names, logos, Internet addresses and domain names, trademarks and service marks and related registrations and applications, including any intent to use applications, supplemental registrations and any renewals or extensions, all other indicia of commercial source or origin and all goodwill associated with any of the foregoing; (d) inventions (whether patentable or unpatentable and whether or not reduced to practice), know how, technology, technical data, trade secrets, confidential business information, manufacturing and production processes and techniques, marketing and business data, advertising and promotional materials, and other proprietary information; (e) computer software (including source and object code), firmware, development tools, algorithms, files, records, technical drawings and related documentation, data and manuals; and (f) databases and data collections.

“**Law**” means any law, statute, ordinance, rule or regulation of any Governmental Entity.

“**Liabilities**” means any and all debts, liabilities and obligations, whether accrued or fixed, matured or unmatured or determined or determinable.

“**Licensed Intellectual Property**” means any Intellectual Property owned by any Person other than the Seller and that is used by and Related to the Business.

“**Lien**” means, with respect to any property or asset, any mortgage, lien, pledge, charge, security interest or other encumbrance in respect of such property or asset.

“**Material Adverse Effect**” means a material adverse effect on the Business, taken as a whole; provided, however, that none of the following, either alone or in combination, shall constitute or be considered in determining whether there has been a Material Adverse Effect: (a) any change affecting general national, international or regional political, economic, financial or capital market conditions, including changes in interest or exchange rates; (b) any change generally affecting the industries in which the Business operates; (c) any change in Law or GAAP, or any interpretation thereof; (d) acts of war, sabotage or terrorism, or any escalation or worsening thereof; (e) any change relating to or arising from the execution of this Agreement or the Ancillary Agreements or the announcement of the transactions contemplated hereby or thereby; (f) any breach by the Purchaser of any provision of this Agreement or any Ancillary Agreement; (g) any action contemplated or permitted by this Agreement or taken at the request of the Purchaser; and (h) any failure of the Business to meet any projections, forecasts or revenue or earnings predictions.

“**Material Contracts**” has the meaning set forth in Section 4.8(b).

“**Order**” means any order, award, injunction, judgment, decree, ruling or verdict or other decision issued, promulgated or entered by or with any Governmental Entity of competent jurisdiction.

“**Owned Intellectual Property**” means all Intellectual Property owned by the Seller and

Related to the Business.

“**Permit**” means any permit, authorization, approval, consent, license or franchise of or from any Governmental Entity or pursuant to any Law.

“**Permitted Liens**” means (a) Liens for Taxes and other governmental charges and assessments which are not yet due and payable, are being contested in good faith or that may hereafter be paid without material penalty, (b) workers’, carriers’ and mechanics’ or other like Liens incurred in the ordinary course of the Business, (c) zoning, building and land use Laws, ordinances, orders, decrees, restrictions and conditions imposed by any Governmental Entity, (d) Liens or title imperfections that are immaterial in character, amount and extent and which do not materially detract from the value or materially interfere with the present or proposed use of the properties they affect, and (e) the matters set forth on Section 1.1(b) of the Seller Disclosure Schedule.

“**Person**” means any individual, corporation, limited liability company, partnership, association, joint stock company, trust, estate, joint venture, unincorporated entity, governmental entity or any other entity of any kind.

“**Post-Closing Tax Period**” has the meaning set forth in Section 6.2(b).

“**Pre-Closing Tax Period**” has the meaning set forth in Section 6.2(b).

“**Purchased Assets**” has the meaning set forth in Section 2.1.

“**Purchaser**” has the meaning set forth in the preamble hereto.

“**Purchaser Disclosure Schedule**” has the meaning set forth in the preamble to Article V.

“**Purchaser SEC Documents**” has the meaning set forth in Section 5.6(a).

“**Purchaser’s Knowledge**” means, with respect to any fact or matter, the current actual knowledge of Nandu Thonadvadi and Dhru Desai.

“**Related to the Business**” means used, held for use or acquired or developed for use, primarily in the Business or otherwise primarily relating to, or primarily arising out of, the operation or conduct of the Business.

“**Royalty Agreement**” has the meaning set forth in Section 3.2(c).

“**SEC**” means the Securities and Exchange Commission.

“**Seller**” has the meaning set forth in the preamble hereto.

“**Seller Disclosure Schedule**” has the meaning set forth in the preamble to Article IV.

“**Seller’s Knowledge**” means, with respect to any fact or matter, the current actual knowledge of Kevin Brice.

“*Shares*” has the meaning set forth in Section 2.5.

“*Tax Returns*” means any return, declaration, report, claim for refund, or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

“*Taxes*” means any and all federal, state, local, or foreign net or gross income, gross receipts, net proceeds, sales, use, ad valorem, value added, franchise, bank shares, withholding, payroll, employment, excise, property, transfer, real property transfer, deed, stamp, recording, documentary, registration, stock, alternative or add-on minimum, environmental, profits, windfall profits, transaction, license, lease, service, service use, occupation, severance, energy, unemployment, social security, workers’ compensation, capital, premium and other taxes, together with interest or penalties.

“*Taxing Authority*” means any Governmental Entity having jurisdiction with respect to any Tax.

“*Transferred Employee*” has the meaning set forth in Section 6.1(a).

“*§*” means United States dollars.

1.2 Construction. For the purposes of this Agreement, except as otherwise expressly provided herein or unless the context otherwise requires: (a) words using the singular or plural number also include the plural or singular number, respectively, and the use of any gender herein shall be deemed to include the other genders; (b) references herein to “Articles,” “Sections,” “subsections” and other subdivisions, and to exhibits, schedules, annexes and other attachments, without reference to a document are to the specified Articles, Sections, subsections and other subdivisions of, and exhibits, schedules, annexes and other attachments to, this Agreement; (c) a reference to a subsection or other subdivision without further reference to a Section is a reference to such subsection or subdivision as contained in the same Section in which the reference appears; (d) the words “herein,” “hereof,” “hereunder,” “hereby” and other words of similar import refer to this Agreement as a whole and not to any particular provision; (e) the words “include,” “includes” and “including” are deemed to be followed by the phrase “without limitation”; and (f) all accounting terms used and not expressly defined herein have the respective meanings given to them under GAAP.

ARTICLE II

PURCHASE AND SALE

2.1 Purchase and Sale of the Purchased Assets. Upon the terms and subject to the conditions of this Agreement, at the Closing, the Seller shall sell, assign, transfer, convey and deliver to the Purchaser, and the Purchaser shall purchase, acquire and accept from the Seller, the entire right, title and interest of the Seller, to the extent assignable, in, to and under all of the assets, properties and rights of every kind and description, real, personal and mixed, tangible and intangible, wherever situated, that are Related to the Business, other than the Excluded Assets (collectively, the “*Purchased Assets*”), including:

- (a) all raw materials, work-in-process, finished goods, supplies, spare parts and other inventories;
- (b) all machinery, fixtures, furniture, supplies, accessories, materials, equipment, parts, molds, office equipment, computers, telephones and other items of tangible personal property;
- (c) all Owned Intellectual Property;
- (d) except as provided in Section 2.2(b), all Contracts, including the Contracts set forth in Section 4.8(a) of the Seller Disclosure Schedule and Section 4.7(d) of the Seller Disclosure Schedule (collectively, the “*Assigned Contracts*”);
- (e) all material Permits which are necessary for the Seller to conduct the Business as currently conducted or for the ownership and use of the assets owned or used by the Seller in the conduct of the Business to the extent transferable;
- (f) all Books and Records to the extent permitted by applicable Law;
- (g) all claims, causes of action, choses in action, rights of recovery and rights under all warranties, representations and guarantees made by suppliers of products, materials or equipment, or components thereof;
- (h) all accounts receivable;
- (i) all prepaid expenses;
- (j) cash and cash equivalents; and
- (k) all goodwill of the Business as a going concern.

2.2 Excluded Assets. Notwithstanding anything to the contrary contained herein, the Purchased Assets do not include, no Seller nor any Affiliate thereof is selling, assigning, transferring, conveying or delivering, and neither the Purchaser nor any Affiliate of the Purchaser is purchasing, acquiring or accepting from the Seller, any of the following assets, properties or rights (collectively, the “*Excluded Assets*”):

- (a) bank accounts;
- (b) all Contracts listed on Section 2.2(b) of the Seller Disclosure Schedule (the “*Excluded Contracts*”);
- (c) the corporate seals, minute books, stock books, Tax Returns, books of account or other records having to do with the corporate organization of the Seller;
- (d) insurance policies and all rights and benefits thereunder;
- (e) the membership interests of, or other equity interest in, the Seller;

- (f) the rights which accrue or will accrue to the Seller under this Agreement and the Ancillary Agreements;
- (g) any assets, properties and rights not Related to the Business;
- (h) refunds of Taxes and tax loss carry-forwards related to periods prior to the Closing Date; and
- (i) the assets, properties and rights set forth on Section 2.2(i) of the Seller Disclosure Schedule.

2.3 Assumed Liabilities. Upon the terms and subject to the conditions of this Agreement, at the Closing the Purchaser shall assume, and from and after the Closing the Purchaser shall pay, discharge or perform when due, the following Liabilities (collectively, the “*Assumed Liabilities*”):

- (a) any trade account payable reflected in the June 30, 2016 balance sheet of the Seller that remains unpaid at the Closing Date, including the Liabilities set forth on Section 2.3(a) of the Seller Disclosure Schedule;
- (b) any trade account payable incurred in the ordinary course of business by the Seller between June 30, 2016 and the Closing Date that remains unpaid at the Closing Date, including the Liabilities set forth on Section 2.3(b) of the Seller Disclosure Schedule;
- (c) the Liabilities set forth in Section 6.1(c); and
- (d) all Liabilities in respect of the Assigned Contracts (except relating to a breach of any such Assigned Contracts by Seller prior to the Closing).

Notwithstanding the foregoing, in no event will Purchaser assume Assumed Liabilities set forth in clauses (a), (b) and (c) above in excess of Twenty Thousand Dollars (\$20,000.00).

2.4 Excluded Liabilities. Purchaser and its Affiliates will not assume any Liabilities of the Seller other than the Assumed Liabilities, including:

- (a) all Liabilities for Taxes relating to the Business or the Purchased Assets for any tax period or portion thereof ending on or before the Closing Date;
- (b) all Indebtedness of the Business; and
- (c) all Liabilities arising out of or related to the Excluded Contracts or other Excluded Assets.

2.5 Consideration. The consideration to be given by the Purchaser to the Seller for the Purchased Assets (the “*Consideration*”) shall be: (i) 2,645,237 shares of common stock of the Purchaser to be issued and delivered to the Seller (the “*Shares*”), (ii) Purchaser’s entering into the Royalty Agreement with the Seller and the periodic payments and performance of the

other obligations thereunder by Purchaser, and (iii) the assumption by Purchaser of the Assumed Liabilities.

2.6 Allocation of Consideration. The parties hereto shall allocate the Consideration for the Purchased Assets to the various categories of Purchased Assets in accordance with Section 2.6 of the Seller Disclosure Schedule. The party hereto (a) shall execute and file all Tax Returns in a manner consistent with the allocation determined pursuant to this Section 2.6 and (b) shall not take any position before any Governmental Entity or in any judicial proceeding that is inconsistent with such allocation. The Seller and the Purchaser shall each timely file a Form 8594 with the IRS in accordance with the requirements of Section 1060 of the Code.

ARTICLE III

CLOSING

3.1 Closing Date. The closing of the transactions contemplated by this Agreement (the “**Closing**”) shall take place remotely via the exchange or facsimile or scanned final instruments and executed signature pages at such time and date as is agreed to by the Purchaser and the Seller. The date on which the Closing occurs is referred to herein as the “**Closing Date**,” and the Closing will be deemed effective as of 12:01 a.m. Eastern Daylight Time on the Closing Date.

3.2 Deliveries by the Seller at the Closing. At the Closing, the Seller shall deliver to the Purchaser the following:

- (a) a Bill of Sale (the “**Bill of Sale**”), duly executed by the Seller, in the form attached hereto as Exhibit A;
- (b) an Assignment and Assumption Agreement (the “**Assignment and Assumption Agreement**”), duly executed by the Seller, in the form attached hereto as Exhibit B; and
- (c) a Royalty Agreement (the “**Royalty Agreement**”), duly executed by the Seller, in the form attached hereto as Exhibit C;
- (d) a Subscription Agreement (collectively, the “**Brice Subscription Agreement**”), duly executed by Kevin Brice, in the form attached hereto as Exhibit D;
- (e) a certificate of the Secretary or an Assistant Secretary (or equivalent officer) of the Seller certifying (i) that attached thereto are true and complete copies of all resolutions adopted by the Seller authorizing the execution, delivery and performance of this Agreement and the other Ancillary Documents to which the Seller is a party and the consummation of the transactions contemplated hereby and thereby, and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby and thereby and (ii) as to the names and signatures of the officers of the Seller authorized to sign this Agreement, the Ancillary Documents and the other documents to be delivered by the Seller hereunder and thereunder; and

(f) such other documents or instruments as the Purchaser reasonably requests and are reasonably necessary to consummate the transactions contemplated by this Agreement.

3.3 Deliveries by the Purchaser at the Closing. At the Closing, the Purchaser shall deliver the following:

(a) to the Seller, the Assignment and Assumption Agreement, duly executed by the Purchaser;

(b) to the Seller, the Royalty Agreement, duly executed by the Purchaser;

(c) to Kevin Brice, the Brice Subscription Agreement, duly executed by the Purchaser;

(d) to the Seller, a certificate of the Secretary or an Assistant Secretary (or equivalent officer) of the Purchaser certifying (i) that attached thereto are true and complete copies of all resolutions adopted by the board of directors of the Purchaser authorizing the execution, delivery and performance of this Agreement and the other Ancillary Documents to which the Purchaser is a party and the consummation of the transactions contemplated hereby and thereby, and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby and thereby and (ii) as to the names and signatures of the officers of the Purchaser authorized to sign this Agreement, the Ancillary Documents and the other documents to be delivered by the Purchaser hereunder and thereunder;

(e) payment of Seller's legal fees and expenses incurred in connection with transactions contemplated hereby, which shall not exceed Forty Thousand Dollars (\$40,000); and

(f) to the Seller, such other documents or instruments as the Seller reasonably requests and are reasonably necessary to consummate the transactions contemplated by this Agreement.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE SELLER

Seller represents and warrants to the Purchaser, that, except as set forth in the disclosure schedule delivered at the Closing by the Seller to the Purchaser (the "***Seller Disclosure Schedule***"), each statement contained in this Article IV is true and correct as of the Closing:

4.1 Organization. The Seller is a limited liability company duly organized, validly existing and in good standing under the Laws of the State of Georgia, has all requisite power to own, lease and operate its properties and to carry on its business as now being conducted, and is licensed or qualified to do business in each jurisdiction in which the ownership of the Purchased Assets or the operation of the Business as currently conducted makes such licensing or qualification necessary.

4.2 Authority and Enforceability. The Seller has the requisite power and authority to enter into this Agreement and each Ancillary Agreement to which it is a party and to consummate the transactions contemplated hereby and thereby. The execution and delivery by the Seller of this Agreement and each Ancillary Agreement to which it is a party, and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary limited liability company action on the part of the Seller. This Agreement has been, and upon execution of the Ancillary Agreements will be, duly executed and delivered by the Seller and, assuming the due authorization, execution and delivery hereof and thereof by the Purchaser, this Agreement constitutes, and upon execution the Ancillary Agreements will constitute, legal, valid and binding obligations of the Seller, enforceable against the Seller in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency and similar Laws and for the availability of injunctive relief and other equitable remedies.

4.3 Financial Statements. Set forth in Section 4.3 of the Seller Disclosure Schedule are (i) the unaudited balance sheet of the Business as of December 31, 2015 and the related statement of income for the fiscal year ended on such date, and (ii) the unaudited balance sheet of the Business as of June 30, 2016 and the related statement of income for the six-month fiscal period ended on such date (collectively, the “*Financial Statements*”). The Financial Statements have been prepared consistent with the Seller’s past practice and, on such basis, fairly present in all material respects the financial position of the Business as of the indicated dates and the results of operations of the Business for the specified periods subject to, in the case of Financial Statements referred to in the immediately preceding clause (ii), year-end adjustments and the absence of notes.

4.4 Taxes. With respect to Taxes, all material Tax Returns Related to the Business required to have been filed by or with respect to the Seller have been filed, and all Taxes Related to the Business shown as due on such Tax Returns have been paid. The Seller has withheld and paid all material Taxes Related to the Business required to have been withheld by the Seller and in connection with amounts paid or owing to any third party.

4.5 Compliance with Laws. Since January 1, 2016, the business of Seller has been conducted in all material respects in accordance with all applicable Laws, except for any such failure to be in compliance that would not have a Material Adverse Effect. The Seller has not received any written notice of any violation of Law. All Permits required by the Seller for the operation of its businesses as currently conducted have been obtained and are in full force and effect and are being complied with in all material respects.

4.6 Title to Personal Properties. Except as set forth in Section 4.6 of the Seller Disclosure Schedule, the Seller has good title to all personal property and assets comprising Purchased Assets it purports to own, free and clear of all Liens except for Permitted Liens.

4.7 Intellectual Property.

(a) Section 4.7(a) of the Seller Disclosure Schedule sets forth all Owned Intellectual Property that is registered or subject to an application for registration with respect to

the Seller (including, where applicable, the relevant jurisdiction, the application or registration number, the filing date and the current owner) or that is otherwise material to the Business.

(b) Except as set forth on Section 4.7(b) of the Seller Disclosure Schedule, Seller is not a party to any material license held by third parties that permit such third parties to use Owned Intellectual Property of the Seller.

(c) To Seller's Knowledge, and except as set forth in Section 4.7(c) of the Seller Disclosure Schedule, no Person has infringed or violated any Owned Intellectual Property of the Seller.

(d) All material Licensed Intellectual Property of the Seller (excluding licenses granted to the Seller to use retail-available off-the-shelf software) used in connection with the Purchased Assets ("**In-Bound Licenses**") are valid, subsisting and binding and, to the Seller's Knowledge, no party thereto is in breach or other violation of any such In-Bound License. Section 4.7(d) of the Seller Disclosure Schedule sets forth a list of all material In-Bound Licenses with respect to the Seller.

(e) To the Seller's Knowledge, the Seller's use of the Owned Intellectual Property has not infringed upon or otherwise violated the Intellectual Property rights of any third party.

4.8 Contracts.

(a) Section 4.8(a) of the Seller Disclosure Schedule sets forth all Contracts to which the Seller is party to, or bound by, in each case Related to the Business.

(b) Except as disclosed in Section 4.8(b) of the Seller Disclosure Schedule, each Contract listed in Section 4.8(a) of the Seller Disclosure Schedule (collectively, the "**Material Contracts**") is a valid and binding on the Seller and, to the Seller's Knowledge, is valid and binding on the other party or parties thereto in all material respects in accordance with its terms. The Seller is not in default in the performance, observance or fulfillment of any obligation, covenant, condition or other term contained in any Material Contract except as would not have a Material Adverse Effect.

4.9 Litigation. Except as set forth on Section 4.9 of the Seller Disclosure Schedule, there is no action, suit, proceeding, claim, arbitration or litigation (each, an "**Action**"), in each case Related to the Business, pending or, to the Seller's Knowledge, threatened in writing against the Seller, which would reasonably be expected to have a Material Adverse Effect. As of the date hereof, there is, and during the past one (1) year there has been, no Legal Proceeding pending or, to the Seller's Knowledge, threatened, against the Seller or any of its assets at law, in equity or otherwise, in, before, or by, any Governmental Authority. There are no material judgments or outstanding orders, writs, investigations, injunctions, decrees, stipulations or awards against the Seller or any of its assets.

4.10 Insurance. There are no pending material claims related to the Business under any material insurance policy or fidelity bond which covers the Business and the Seller with

respect to the Business as to which coverage has been questioned, denied or disputed by the insurer or in respect of which the insurer has reserved its rights.

4.11 Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Seller.

4.12 Absence of a Material Adverse Effect. Except as disclosed on Section 4.12 of the Seller Disclosure Schedule, since January 1, 2016, no event has occurred that has had a Material Adverse Effect and the Seller has not materially increased the compensation or benefits payable or to become payable by the Seller to any officer or other Person in a senior management position outside the ordinary course of business.

4.13 Investment Representations

(a) The Seller is acquiring the Shares for investment for the Seller's own account and not with the view to, or for resale in connection with, any distribution thereof. The Seller understands that the Shares have not been registered under the Securities Act of 1933, as amended (the "**Securities Act**"), by reason of a specific exemption from the registration provisions of the Securities Act that depends upon, among other things, the bona fide nature of the investment intent as expressed herein.

(b) The Seller acknowledges that the Shares must be held indefinitely unless (i) subsequently registered under the Securities Act or (ii) an exemption from such registration is available.

4.14 Disclaimer of Warranties. The Business, including the Purchased Assets, is being sold on an "as is", "where is" basis as of the Closing and in its condition as of Closing with "all faults" and, except as set forth in this Article IV, neither the Seller nor any of its officers, managers, directors, employees or representatives make or have made any other representation or warranty, express or implied, at Law or in equity, in respect of the Business or any of the Purchased Assets, including with respect to (a) merchantability or fitness for any particular purpose, (b) the operation of the Business by the Purchaser after the Closing in any manner other than as used and operated by the Seller or (c) the probable success or profitability of the Business after the Closing and except as set forth in this Article IV, no statement made by the Seller or contained in any materials or presentation provided by the Seller shall be deemed a representation or warranty hereunder or otherwise or deemed to be relied upon by Purchaser in executing, delivering and performing this Agreement and the transactions contemplated hereby.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

The Purchaser represents and warrants to the Seller that, except as set forth in the disclosure schedule dated and delivered at the Closing by the Purchaser to the Seller (the "**Purchaser Disclosure Schedule**"), each statement contained in this Article V is true and correct as of the Closing.

5.1 Organization. The Purchaser is a corporation duly organized, validly existing and in good standing under the Laws the State of Illinois and has the requisite corporate power to own, lease and operate its properties and to carry on its business as now being conducted, and is duly qualified to do business.

5.2 Authority and Enforceability. The Purchaser has the requisite power and authority to enter into this Agreement and the Ancillary Agreements to which it is a party and to consummate the transactions contemplated hereby and thereby. The execution and delivery of this Agreement and the Ancillary Agreements to which the Purchaser is a party and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action on the part of the Purchaser. This Agreement has been, and upon execution the Ancillary Agreements will be, duly executed and delivered by the Purchaser and, assuming the due authorization, execution and delivery hereof and thereof by the Seller, this Agreement constitutes, and upon execution the Ancillary Agreements will constitute, legal, valid and binding obligations of the Purchaser, enforceable against the Purchaser in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency and similar Laws and for the availability of injunctive relief and other equitable remedies.

5.3 Noncontravention. Assuming all consents, approvals, authorizations and other actions described in Section 5.3 of the Purchaser Disclosure Schedule have been obtained, the execution, delivery and performance of this Agreement and the Ancillary Agreements by the Purchaser do not and will not (a) conflict with the certificate of incorporation, bylaws or other constitutive or governing documents of the Purchaser, (b) violate any Law or any Order of any Governmental Entity applicable to the Purchaser, (c) result in any breach of, constitute a default under or give to any Person any rights of termination, acceleration or cancellation of, any Contract to which the Purchaser is a party, (d) result in the creation or imposition of any Lien of any nature whatsoever upon any assets or property of the Purchaser or (e) require any consent, approval, authorization or other action by, or filing with or notification to, any Governmental Authority or any other Person in connection therewith.

5.4 Litigation. Except as set forth on Section 5.4 of the Purchaser Disclosure Schedule, there is no Action pending or, to the knowledge of the Purchaser, threatened against the Purchaser that (a) challenges or seeks to enjoin, alter or materially delay the consummation of the transactions contemplated by this Agreement, or (b) would reasonably be expected to have a material adverse effect on the Purchaser or the Purchaser's ability to consummate the transactions contemplated hereby and by the Ancillary Agreements. Except as set forth in the Purchaser SEC Documents, as of the date hereof, there is, and during the past one (1) year there has been, no Legal Proceeding pending or, to the Purchaser's Knowledge, threatened, against the Purchaser or any of its assets at law, in equity or otherwise, in, before, or by, any Governmental Authority. There are no material judgments or outstanding orders, writs, investigations, injunctions, decrees, stipulations or awards against the Purchaser or any of its assets.

5.5 Brokers. Except as set forth in Section 5.5 of the Purchaser Disclosure Schedule, no broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Purchaser.

5.6 SEC Filings.

(a) Except as set forth on Section 5.6(a) of the Purchaser Disclosure Schedule, since January 1, 2013 the Purchaser has filed and furnished in a timely manner all filings, reports, schedules, forms, prospectuses and registration, proxy and other statements, in each case, required to be filed or furnished by it with or to the SEC (collectively, and in each case including all schedules thereto and documents incorporated by reference therein, the “**Purchaser SEC Documents**”). Except as set forth on Section 5.6(a) of the Purchaser Disclosure Schedule, since January 1, 2013, as of their respective effective dates (in the case of Purchaser SEC Documents that are registration statements filed pursuant to the requirements of the Securities Act) and as of the respective dates of the last amendment filed with the SEC (in the case of all other Purchaser SEC Documents), the Purchaser SEC Documents complied in all material respects with the requirements of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”) and the Securities Act, as the case may be, and the rules and regulations of the SEC promulgated thereunder, each as in effect on the applicable date referred to above, applicable to such Purchaser SEC Documents, and none of the Purchaser SEC Documents as of such respective dates contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

(b) Each of the audited consolidated balance sheets, consolidated statements of operations, consolidated statements of changes in stockholders’ equity and consolidated statements of cash flows of the Purchaser and its consolidated subsidiaries included in or incorporated by reference into the Purchaser SEC Documents (including any related notes and schedules): (i) have been prepared in accordance with GAAP applied on a consistent basis during the periods involved; and (ii) present fairly, in all material respects, the consolidated financial position of the Purchaser and its consolidated subsidiaries as at the dates thereof and the consolidated statements of operations, changes in stockholders’ equity and cash flows of the Purchaser and its consolidated subsidiaries for the periods then ended.

(c) The Purchaser does not have any material liabilities of a type required under GAAP to be reflected or reserved against except for liabilities reflected or reserved against on the Purchaser’s consolidated unaudited balance sheet as of June 30, 2016 (or the notes thereto) and not heretofore paid or discharged.

5.7 Capitalization.

(a) Immediately prior to the Closing, the authorized capital stock of the Purchaser consists of 200,000,000 shares of common stock, \$0.01 par value per share, of which 106,991,504 shares of common stock are issued and outstanding, all of which are validly issued, fully paid and nonassessable including Warrants to purchase 20,327,287 shares of common stock of the Purchaser.

(b) Section 5.7(b) of the Purchase Disclosure Schedule sets forth the capitalization of the Company immediately following the Closing including the number of shares of the following: (i) issued and outstanding common stock; (ii) granted stock options; (iii) shares of common stock reserved for future award grants under any equity incentive plan; (iv) warrants

or stock purchase rights, if any, including the number of shares of common stock exercisable thereunder after giving effect to the Closing. Except as set forth in Section 5.7(b) of the Purchase Disclosure Schedule, there are no outstanding options, warrants, rights (including conversion or preemptive rights and rights of first refusal or similar rights) or agreements, orally or in writing, to purchase or acquire from the Company any shares of common stock of Purchaser, or any securities convertible into or exchangeable for shares of common stock of Purchaser. The issuance of the Shares (i) does not violate or conflict with the Company's articles of incorporation, bylaws or any agreement to which the Company is a party and (ii) will not result in any anti-dilution adjustment to any of the Company's outstanding securities.

(c) The Shares to be issued pursuant to this Agreement will, upon issuance, be duly authorized, validly issued, fully paid and non-assessable.

(d) Except as set forth in Section 5.7(d) of the Purchaser Disclosure Schedule, there are no outstanding contractual obligations of Purchaser to repurchase, redeem or otherwise acquire any capital stock of or other equity interests in the Purchaser.

5.8 Compliance with Laws. Except as set forth in the Purchaser SEC Documents, since January 1, 2016, the business of the Purchaser has been conducted in all material respects in accordance with all applicable Laws, except for any such failure to be in compliance that would not have a Material Adverse Effect. The Purchaser has not received any written notice of any violation of Law. All Permits required by the Purchaser for the operation of its businesses as currently conducted have been obtained and are in full force and effect and are being complied with in all material respects.

ARTICLE VI

COVENANTS

6.1 Employees.

(a) The Purchaser shall offer employment to commence effective upon the Closing to each Business Employee (whether salaried or hourly, and full-time or part-time), whether or not actively employed on the Closing (e.g., including employees on vacation and leave of absence, including maternity, family, sick, military or disability leave): (i) at the same or higher wage rates or base salary and bonus levels; (ii) at a location no greater than 20 miles from the Business Employee's location of employment with the Seller; and (iii) with employee benefits that are, in the aggregate, no less favorable than the employee benefits offered to other similarly-situated employees of Purchaser in effect immediately prior to the date hereof. With respect to each Business Employee who accepts the Purchaser's offer of employment (a "***Transferred Employee***"), the Purchaser shall credit periods of service prior to the Closing for purposes of determining vacation eligibility after the Closing.

(b) Without limiting the scope of Section 6.1(a), the Purchaser shall cause each Transferred Employee (and his or her eligible dependents) to be covered following the Closing by the Purchaser's group health plan. The Seller shall remain responsible for all claims incurred by Transferred Employees prior to the Closing under the Seller's group health plans and

the Purchaser shall be responsible for all claims incurred on and after the Closing under its group health plans. For purposes of clarity, a claim shall be considered incurred when the treatment for a given condition is provided, and not when the condition arose.

(c) To the extent possible under applicable Law, the Purchaser shall assume all Liabilities of the Seller with respect to any accrued but unused vacation time that any Transferred Employee is eligible to take pursuant to the vacation policy of the Seller applicable to such Transferred Employee immediately prior to the Closing. Without limiting the foregoing, the Purchaser shall allow such Transferred Employee to use any such assumed, accrued vacation (in addition to any vacation accrued pursuant to vacation policies established by the Purchaser), and shall pay any Transferred Employee the value of any unused vacation upon his termination of employment.

(d) The provisions of this Section 6.1 are solely for the benefit of the respective parties to this Agreement and nothing in this Section 6.1, express or implied, shall confer upon any Transferred Employee, or legal representative or beneficiary thereof, any rights or remedies, including any right to employment or continued employment for any specified period, or compensation or benefits of any nature or kind whatsoever under this Agreement.

6.2 Taxes.

(a) The Purchaser shall pay all federal, state and local sales, documentary and real estate and other transfer Taxes, if any, due as a result of the purchase, sale or transfer of the Purchased Assets in accordance herewith, whether imposed by Law on the Seller or the Purchaser. The Purchaser and the Seller shall cooperate in the preparation, execution and filing of all Tax Returns regarding any transfer taxes which become payable as a result of the transfer of the Purchased Assets from the Seller to Purchaser pursuant to this Agreement.

(b) All real property Taxes, personal property Taxes and similar ad valorem obligations levied with respect to the Purchased Assets for a taxable period that includes (but does not end on) the Closing Date shall be apportioned between the Seller and the Purchaser as of the Closing Date based on the number of days of such taxable period included in the period ending with and including the Closing Date (with respect to any such taxable period, the "***Pre-Closing Tax Period***"), and the number of days of such taxable period beginning after the Closing Date (with respect to any such taxable period, the "***Post-Closing Tax Period***"). The Seller shall be liable for the proportionate amount of such Taxes that is attributable to the Pre-Closing Tax Period, and the Purchaser shall be liable for the proportionate amount of such Taxes that is attributable to the Post-Closing Tax Period. If bills for such Taxes have not been issued as of the Closing Date and if the amount of such Taxes for the period including the Closing Date is not then known, the apportionment of such Taxes shall be made at Closing on the basis of the prior period's Taxes. After Closing, upon receipt of bills for the period including the Closing Date, adjustments to the apportionment shall be made by the parties, so that if either party paid more than its proper share at the Closing, the other party shall promptly reimburse such party for the excess amount paid by them.

(c) The Purchaser and the Seller agree to furnish or cause to be furnished to each other, upon request and as promptly as practicable, such information and assistance relating to the Business, the Purchased Assets and Assumed Liabilities (including access to books and records) as is reasonably necessary for the filing of all Tax Returns, the making of any election relating to Taxes, the preparation for any audit by any Taxing Authority, and the prosecution or defense of any Action relating to any Tax. Any expenses incurred in furnishing such information or assistance shall be borne by the party requesting it.

6.3 Bulk Sales Laws. The Purchaser and the Seller hereby waive compliance by the Purchaser and the Seller with the bulk sales Law and any other similar Laws in any applicable jurisdiction in respect of the transactions contemplated by this Agreement and the Ancillary Agreements.

6.4 Access to Books and Records. Each of the Seller and the Purchaser shall preserve until the seventh anniversary of the Closing Date all records possessed or to be possessed by such party relating to any of the assets, Liabilities or business of the Business prior to the Closing. After the Closing Date, where there is a legitimate business purpose, such party shall provide the other party with access, upon prior reasonable written request specifying the need therefor, during regular business hours, to (a) the officers and employees of such party and (b) the books of account and records of such party, but, in each case, only to the extent relating to the assets, Liabilities or business of the Business prior to the Closing, and the other party and its representatives shall have the right to make copies of such books and records at their sole cost; provided, however, that the foregoing right of access shall not be exercisable in such a manner as to interfere unreasonably with the normal operations and business of such party. Such records may nevertheless be destroyed by a party if such party sends to the other party written notice of its intent to destroy records, specifying with reasonable particularity the contents of the records to be destroyed. Such records may then be destroyed after the 30th day after such notice is given unless the other party objects to the destruction, in which case the party seeking to destroy the records shall deliver such records to the objecting party at the objecting party's cost.

6.5 Consents. The Purchaser acknowledges that consents and waivers with respect to the transactions contemplated by this Agreement and the Ancillary Agreements may be required from parties to Contracts to which the Seller is a party, including certain of the Contracts listed on the Seller Disclosure Schedule, or with respect to other assets and that such consents and waivers may not be obtained. The Purchaser agrees that: (a) the Seller shall not have any liability to the Purchaser arising out of or relating to the failure to obtain any consents or waivers that may be required in connection with the transactions contemplated by this Agreement or the Ancillary Agreements or because of the termination of any Contract as a result thereof; and (b) no representation, warranty or covenant of the Seller contained herein shall be breached or deemed breached, and no condition shall be deemed not satisfied, as a result of (i) the failure to obtain any such consent or waiver, (ii) any such termination or (iii) any lawsuit, action, proceeding or investigation commenced or threatened by or on behalf of any person arising out of or relating to the failure to obtain any such consent or any such termination.

6.6 Further Assurances. The Purchaser and the Seller shall execute such documents and other instruments and take such further actions as may be reasonably required to carry out

the provisions of this Agreement and the Ancillary Agreements and to consummate the transactions contemplated hereby and thereby. If requested by the Seller, the Purchaser will provide written confirmation to the other parties to any Assigned Contract of the Purchaser's assumption thereof in the form required by such Assigned Contract or otherwise reasonably requested by the Seller.

6.7 Confidentiality. The terms and conditions of this Agreement and any and all related negotiations are confidential and will not be disclosed to any third party except the Purchaser's and Seller's counsel and agents and representatives who need such information to carry out the terms of the Agreement.

6.8 Steering Committee. For the period commencing on the Closing Date and ending on the earlier of (i) the seventh anniversary of the Closing Date or (ii) the termination of the Royalty Agreement, the Purchaser shall maintain a steering committee for its education division (the "***Steering Committee***"). The Steering Committee shall be comprised of two members appointed by the Purchaser (one of which shall initially be Shekhar Iyer) and two members appointed by the Seller. A member of the Steering Committee may only be removed by the party entitled to designate such member. The Steering Committee shall meet in-person or by teleconference at least quarterly and provide recommendations on marketing, strategy and technical matters to the members of management of the Purchaser's education division for consideration and implementation.

6.9 Employee Stock Issuance. Within 15 days of the date hereof, the Purchaser shall issue to the individuals listed below the number of shares of the Purchaser's Common Stock set forth opposite each such individual's name pursuant to subscription agreements on substantially the same form as the Brice Subscription Agreement:

Name	Number of Shares of Common Stock
Amit Patel	71,429
Sherida Johnson	19,048
Janis Vollkommer	14,286

ARTICLE VII

CONDITIONS TO CLOSING

7.1 Conditions to Obligation of the Purchaser. The obligation of the Purchaser to consummate the transactions contemplated by this Agreement is subject to the satisfaction (or waiver by the Purchaser in its sole discretion) of the following further conditions:

(a) The representations and warranties of the Seller set forth in this Agreement shall be true and correct at and as of the Closing Date, except (i) to the extent that

such representations and warranties refer specifically to an earlier date, in which case such representations and warranties shall have been true and correct as of such earlier date, (ii) for changes contemplated by this Agreement, or (iii) for circumstances under which the breach of the representation or warranty would not have a Material Adverse Effect.

(b) The Seller shall have performed or complied in all material respects with all obligations and covenants required by this Agreement to be performed or complied with by the Seller at or prior to the Closing.

(c) The Seller shall have delivered to the Purchaser all agreements and other documents required to be delivered by the Seller to the Purchaser pursuant to Section 3.2.

(d) The Seller shall have obtained the Consents set forth on Schedule 7.1(d) of the Seller Disclosure Schedule and shall have provided evidence of each such Consent in form and substance reasonably satisfactory to the Purchaser.

7.2 Conditions to Obligation of the Seller. The obligation of the Seller to consummate the transactions contemplated by this Agreement is subject to the satisfaction (or waiver by the Seller in its sole discretion) of the following further conditions:

(a) The representations and warranties of the Purchaser set forth in this Agreement shall be true and correct at and as of the Closing Date as if made at and as of the Closing Date, except to the extent (i) that such representations and warranties refer specifically to an earlier date, in which case such representations and warranties shall have been true and correct as of such earlier date, (ii) for changes contemplated by this Agreement, or (iii) for circumstances under which the breach of the representation or warranty would not have a Material Adverse Effect.

(b) The Purchaser shall have performed or complied in all material respects with all obligations and covenants required by this Agreement to be performed or complied with by the Purchaser at or prior to the Closing.

(c) The Purchaser shall have delivered to the Seller all agreements and other documents required to be delivered by the Purchaser to the Seller pursuant to Section 3.3.

ARTICLE VIII

MISCELLANEOUS

8.1 Limited Survival of Representations, Warranties, Covenants and Agreements. The representations, warranties, covenants and agreements (other than those covenants and agreements that by their terms apply or are to be performed in whole or in part on or after the Closing Date) contained in this Agreement shall not survive beyond the Closing Date and shall terminate on the Closing Date; provided, however, that the representations and warranties set forth in Article V of this Agreement shall survive for a period of 18 months following the Closing Date.

8.2 Right of Set-Off. If Purchaser has a claim against Seller arising out of or relating to this Agreement, any of the Ancillary Agreements or any of the transactions contemplated hereby or thereby, then Seller hereby authorizes Purchaser, without further notice to Seller, to set-off such amount as is finally determined by a court of competent jurisdiction or as otherwise agreed to in writing by the parties, against the Minimum Recoupment (as defined in the Royalty Agreement).

8.3 Notices. Any notice, request, demand, waiver, consent, approval or other communication which is required or permitted hereunder shall be in writing and shall be deemed given (a) on the date established by the sender as having been delivered personally, (b) on the date delivered by a private courier as established by the sender by evidence obtained from the courier, (c) on the date sent by facsimile, with confirmation of transmission, if sent during normal business hours of the recipient, if not, then on the next Business Day, or (d) on the fifth day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications, to be valid, must be addressed as follows:

If to the Purchaser, to:

Nandu Thonadvadi
Quadrant 4 System Corporation
1501 Woodfield Road, Suite 205
Schaumburg, IL 60173

With a required copy to:

Nixon Peabody LLP
70 W. Madison, Suite 3500
Chicago, Illinois 60602
Attn: Gary I. Levenstein, Esq.
Telecopier No.: (844) 562-7985

If to the Seller, to:

Great Parents Academy, LLC
3575 Piedmont Road NE
Building 15 Suite 1005
Atlanta, GA 30305

With a required copy to:

William J. Ching
Nelson Mullins Riley & Scarborough LLP
Atlantic Station
201 17th Street NW, Suite 1700
Atlanta, GA 30363

or to such other address or to the attention of such Person or Persons as the recipient party has specified by prior written notice to the sending party (or in the case of counsel, to such other readily ascertainable business address as such counsel may hereafter maintain). If more than one method for sending notice as set forth above is used, the earliest notice date established as set forth above shall control.

8.4 Amendments and Waivers. Any provision of this Agreement may be amended or waived if, and only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by each party to this Agreement, or in the case of a waiver, by the party against whom the waiver is to be effective. No failure or delay by any party in exercising any right or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

8.5 Expenses. Except as expressly set forth herein, each party hereto shall bear its own costs and expenses in connection with this Agreement, the Ancillary Agreements and the transactions contemplated hereby and thereby, including all legal, accounting, financial advisory, consulting and all other fees and expenses of third parties, whether or not the transactions contemplated by this Agreement are consummated.

8.6 Successors and Assigns. This Agreement may not be assigned by any party hereto without the prior written consent of the other parties hereto; provided, however, that Purchaser may assign to an Affiliate without Seller's prior written consent in connection with an internal restructuring or reorganization; provided, however, that Purchaser shall remain liable for the obligations hereunder after such assignment. Notwithstanding the foregoing, nothing herein shall prohibit the assignment of the Purchaser's rights (but not obligations) to any lender of the Purchaser solely to secure indebtedness of the Purchaser owed to such lender. Subject to the foregoing, all of the terms and provisions of this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective executors, heirs, personal representatives, successors and permitted assigns.

8.7 Governing Law. This Agreement shall be governed by and interpreted and enforced in accordance with the Laws of the State of Delaware, without giving effect to any choice of Law or conflict of Laws rules or provisions (whether of the State of Delaware or any other jurisdiction) that would cause the application of the Laws of any jurisdiction other than the State of Delaware.

8.8 Consent to Jurisdiction and Service of Process. EACH PARTY HERETO CONSENTS TO THE EXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED WITHIN THE STATE OF DELAWARE AND IRREVOCABLY AGREES THAT ALL ACTIONS OR PROCEEDINGS RELATING TO THIS AGREEMENT, THE ANCILLARY AGREEMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY MAY BE LITIGATED IN SUCH COURTS. EACH PARTY HERETO ACCEPTS FOR ITSELF AND IN CONNECTION WITH ITS RESPECTIVE PROPERTIES, GENERALLY AND UNCONDITIONALLY, THE JURISDICTION OF SUCH COURTS AND WAIVES ANY DEFENSE OF FORUM NON CONVENIENS, AND

IRREVOCABLY AGREES TO BE BOUND BY ANY JUDGMENT RENDERED THEREBY IN CONNECTION WITH THIS AGREEMENT, THE ANCILLARY AGREEMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY HERETO IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OUT OF ANY OF SUCH COURTS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, TO SUCH PARTY AT THE ADDRESS SPECIFIED IN THIS AGREEMENT, WITH SUCH SERVICE TO BECOME EFFECTIVE 15 CALENDAR DAYS AFTER SUCH MAILING. NOTHING HEREIN SHALL IN ANY WAY BE DEEMED TO LIMIT THE ABILITY OF EITHER PARTY HERETO TO SERVE ANY SUCH LEGAL PROCESS, SUMMONS, NOTICES AND DOCUMENTS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

8.9 Counterparts. This Agreement may be executed in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually executed counterpart to this Agreement.

8.10 No Third Party Beneficiaries. The terms and provisions of this Agreement are intended solely for the benefit of the parties hereto and their respective successors and permitted assigns, and it is not the intention of the parties to confer third-party beneficiary rights, and this Agreement does not confer any such rights, upon any other Person; provided, however, that Kevin Brice shall be third-party beneficiaries of Sections 3.3(b) and 3.3(e) of this Agreement.

8.11 Entire Agreement. This Agreement, the Ancillary Agreements, the schedules thereto and the other documents, instruments and agreements specifically referred to herein or therein or delivered pursuant hereto or thereto set forth the entire understanding of the parties hereto with respect to the transactions contemplated hereby and thereby. Any and all previous agreements and understandings between or among the parties regarding the subject matter hereof, whether written or oral, are superseded by this Agreement, except for any confidentiality agreement entered into between the parties hereto, or their respective designees, which shall continue in full force and effect in accordance with its terms.

8.12 Severability. Any provision of this Agreement which is invalid or unenforceable in any jurisdiction shall be ineffective to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable the remaining provisions hereof, and any such invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

8.13 Specific Performance. Each party hereto agrees that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed by it in accordance with the terms hereof, and that each party shall be entitled to specific performance of the terms hereof in addition to any other remedy available at Law or in equity.

8.14 Interpretation. The parties hereto have participated jointly in the negotiation and drafting of this Agreement and the Ancillary Agreements and, in the event that an ambiguity or

question of intent or interpretation arises, this Agreement and the Ancillary Agreements shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement or any Ancillary Agreement. The Exhibits and Schedules identified in this Agreement are incorporated herein by reference and made a part hereof. Information contained in any section or subsection of the Seller Disclosure Schedule shall be deemed to be contained in any other section or subsection of the Seller Disclosure Schedule if it is reasonably apparent that such information is relevant to such other Schedule.

8.15 Legal Privilege. The Purchaser waives and will not assert any conflict of interest arising out of or relating to the representation, after the Closing, of the Seller or any Affiliate thereof or any of their respective officers, managers, directors, employees or representatives (any such Person, a “**Designated Person**”) by any law firm currently representing the Seller (the “**Current Representations**”). The Purchaser will not assert any attorney-client privilege with respect to any communication between any legal counsel and any Designated Person occurring during the Current Representation in connection with any dispute with the Purchaser or any Affiliate thereof, it being the intention of the parties hereto that all such rights to such attorney-client privilege and to control such attorney-client privilege shall be retained by such Designated Person.

[Signature pages follow.]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date first written above.

PURCHASER

QUADRANT 4 SYSTEM CORPORATION

By: /s/ Nandu Thondavadi

Name: Nandu Thondavadi

Title: President and Chief Executive Officer

[Asset Purchase Agreement]

SELLER

GREAT PARENTS ACADEMY, LLC

By: /s/ Kevin Brice _____

Name: Kevin Brice

Title: Chief Executive Officer

[Asset Purchase Agreement]

Schedule 1.1(b)

Permitted Liens

None.

Schedule 2.2(b)

Excluded Contracts

- Convertible Promissory Note, dated February 17, 2016, made by Seller in favor of BIP Early Stage Fund I, LP
- Convertible Promissory Note, dated February 17, 2016, made by Seller in favor of BIP Early Stage Fund I-QP, LP
- Demand Promissory Note, made by Seller in favor of Mark Buffington, in the principal amount of \$11,100
- Demand Promissory Note, made by Seller in favor of Mark Buffington, in the principal amount of \$140,000, and that certain Addendum to Demand Promissory Note, dated May 11, 2015, made by Seller
- Clever Developer Agreement, dated May 1, 2015, by and between Clever Inc. and Seller¹
- Salesforce.com, Inc. Order Form (Quote Number Q-00207967), executed July 31, 2015²
- Any and all arrangements or agreements pertaining to employees of the Seller, including any current employment agreements.
- Any and all indemnification agreements entered into with managers of the Seller.
- Any and all equity incentive agreements or arrangements of the Seller, whether granted pursuant to that certain 2013 Equity Incentive Plan of the Seller, as amended (the “*Plan*”), or otherwise, including any Unit Option Certificates granted to employees of the Seller pursuant to the Plan.
- Separation Agreement & General Release, dated November 3, 2016, by and between the Seller and Kevin Brice

¹ Termination notice has been provided to counterparty.

² Termination notice has been provided to counterparty.

Schedule 2.2(i)

Excluded Assets, Properties, and Rights

None.

Schedule 2.3

Assumed Liabilities

(a)

Account	Amount
Legal - Nelson Mullins (fees incurred prior to transaction)	\$ 5,260
Accounting - Bennett Thrasher	\$ 950
Total	\$ 6,210

(b)

Account	Estimated Amount
Google Apps	\$ 602
Amazon web services	\$ 210
Broadvoice	\$ 142
Backupify	\$ 64
New Relic	\$ 712
Zoho	\$ 229
Webex	\$ 250
Adobe Creative Cloud	\$ 350
Amex	\$ 3,000
Robert Plante (contractor)	\$ 500
Total	\$ 6,059

Schedule 2.6

Allocation of Consideration

Asset Class*	Purchase Price Allocation
Class I (cash and deposits)	\$ 63,574.45
Class II (actively traded personal property)	N/A
Class III (accounts receivable, including costs and earnings in excess of billings)	\$ 18,622
Class IV (inventory)	N/A
Class V (all assets other than Class I, II, III, IV, VI and VII, including FF&E, buildings, land and vehicles which constitute all or part of a trade or business)	N/A
Class VI (IRC Section 197 Intangibles other than goodwill and going concern value)	
Class VII (Goodwill and going concern value)	Entire residual amount of Consideration

*per Treasury Regulation Sections 1.1060-1(c) and 1.338-6 and IRS Form 8594.

Schedule 4.3

Financial Statements

See attached.

Schedule 4.6

Title to Personal Properties

None.

Schedule 4.7

Intellectual Property

(a) None

(b) The following customers have entered into oral agreements with Seller to utilize Seller's software applications:

- Triumph
- Barbara Morgan STEM Academy
- Camino Elementary
- Denning Elementary
- Flat Shoals Elementary
- Birney Elementary
- Oak Hills Elementary
- IT Stoddard
- Liberty Christian School

(c) None

(d)

- The Seller uses music in its product demonstration video pursuant to a standard end-use license granted by Associated Production Music LLC
 - License agreements (some of which include retail-available off-the-shelf software) with the following entities:
 - o Amazon
 - o Atlassian
 - o Backupify
 - o Apple ID
 - o Adobe Creative Cloud
 - o Microsoft Skydrive
 - o Vocalware
 - o Dropbox
 - o Spiceworks
 - o iTunes
 - o Microsoft
 - o Comodo
 - o Thawte
 - o Vimeo
 - o Vector Stock
 - o blitz.io
 - o Braintree Sandbox
 - o Braintree Production
 - o New Relic
 - o Flickr
-

- o Gpalearn.com
 - o Gpalovemath.com
 - o Envato
 - o Customer.io
 - o Desk.com
 - o LogEntries
 - o Zoho
 - o Cloud Mongodb
 - o GoDaddy
 - o Google Service Apps
 - o GreenSock
 - o Cisco WebEx
-

Schedule 4.8

Contracts

(a)

- License Agreement, dated May 29, 2015, by and between Great Parents Academy, LLC and Triumph Learning, LLC
- Convertible Promissory Note, dated February 17, 2016, made by Seller in favor of BIP Early Stage Fund I, LP
- Convertible Promissory Note, dated February 17, 2016, made by Seller in favor of BIP Early Stage Fund I-QP, LP
- Indemnification agreements entered into with managers of the Seller.
- The Plan and any and all equity incentive agreements or arrangements granted pursuant to the Plan, including the Unit Option Certificates granted to employees of the Seller
- Schedule 4.7(b) is incorporated herein by reference
- Separation Agreement & General Release, dated November 3, 2016, by and between the Seller and Kevin Brice

(b) None

Schedule 4.9

Litigation

None.

Schedule 4.12

Absence of Material Adverse Effect

None.

Schedule 7.1(d)

Consents

None.

BILL OF SALE

THIS BILL OF SALE, dated as of November 3, 2016 (this "**Bill of Sale**"), is made, executed and delivered by **QUADRANT 4 SYSTEM CORPORATION**, an Illinois corporation (the "**Buyer**") and **GREAT PARENTS ACADEMY, LLC**, a Georgia limited liability company (the "**Seller**" and together with the Buyer, the "**Parties**").

Reference is made to that certain Asset Purchase Agreement, dated as of November 3, 2016 (the "**Purchase Agreement**"), by and between the Buyer and the Seller. Capitalized terms used and not otherwise defined herein shall have the meanings given to them in the Purchase Agreement.

WITNESSETH:

WHEREAS, pursuant to the Purchase Agreement, on the date hereof, the Seller is transferring the Purchased Assets to the Buyer; and

WHEREAS, the execution and delivery of this Bill of Sale are made pursuant to the Purchase Agreement.

NOW, THEREFORE, in consideration of the above premises and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

Section 1. Transfer. The Seller does hereby irrevocably and unconditionally sell, convey, assign, transfer and deliver to the Buyer (the "**Transfer**") all of the Seller's right, title and interest in, to and under the Purchased Assets free and clear of all liens and encumbrances other than Permitted Liens. The Buyer hereby accepts title to the Purchased Assets.

Section 2. Further Assurances. The Seller hereby agrees to take any and all additional actions and to execute, acknowledge and deliver any and all documents which the Buyer may reasonably request in order to effect the intent and purposes of the Transfer and the transactions contemplated hereby.

Section 3. Amendments. This Bill of Sale may not be amended except by an instrument in writing signed by the Buyer and the Seller. By an instrument in writing, the Buyer, on the one hand, or the Seller, on the other hand, may waive compliance by the other with any term or provision of this Bill of Sale that such other party was or is obligated to comply with or perform.

Section 4. No Third Party Beneficiaries. This Bill of Sale shall not confer any rights or remedies upon any Person other than the Parties hereto and their respective successors and permitted assigns, personal representatives, heirs and estates, as the case may be.

Section 5. JURISDICTION; SERVICE OF PROCESS. EACH PARTY (A) CONSENTS TO THE EXCLUSIVE PERSONAL JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED IN THE STATE OF DELAWARE (AND ANY CORRESPONDING APPELLATE COURT) IN ANY PROCEEDING ARISING OUT OF

OR RELATING TO THIS BILL OF SALE, (B) WAIVES ANY VENUE OR INCONVENIENT FORUM DEFENSE TO ANY PROCEEDING MAINTAINED IN SUCH COURTS, AND (C) EXCEPT AS OTHERWISE PROVIDED IN THE PURCHASE AGREEMENT, AGREES NOT TO INITIATE ANY PROCEEDING ARISING OUT OF OR RELATING TO THIS BILL OF SALE IN ANY OTHER COURT OR FORUM. PROCESS IN ANY SUCH PROCEEDING MAY BE SERVED ON ANY PARTY ANYWHERE IN THE WORLD.

Section 6. Governing Law. This Bill of Sale will be governed by the laws of the State of Delaware without giving effect to any choice or conflict of law principles of any jurisdiction.

Section 7. Specific Performance. Each party acknowledges that the other party would be damaged irreparably and would have no adequate remedy of law if any provision of this Bill of Sale is not performed in accordance with its specific terms or otherwise is breached. Accordingly, each party agrees that the other party will be entitled to an injunction to prevent any breach of any provision of this Bill of Sale and to enforce specifically any provision of this Bill of Sale, in addition to any other remedy to which they may be entitled and without having to prove the inadequacy of any other remedy they may have at law or in equity and without being required to post bond or other security.

Section 8. Headings. The section headings contained in this Bill of Sale are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Bill of Sale.

Section 9. Purchase Agreement. This Bill of Sale is subject in all respects to the terms and conditions of the Purchase Agreement. To the extent of any conflict between the terms of the Purchase Agreement and this Bill of Sale, the Purchase Agreement shall control. Nothing contained in this Bill of Sale shall be deemed to supersede any of the covenants, agreements, representations or warranties of the applicable Parties contained in the Purchase Agreement.

Section 10. Severability. Any provision of this Bill of Sale that is determined by any court of competent jurisdiction to be invalid or unenforceable will not affect the validity or enforceability of any other provision hereof or the invalid or unenforceable provision in any other situation or in any other jurisdiction. Any provision of this Bill of Sale held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

Section 11. Counterparts; Facsimile or Electronic Signatures. This Bill of Sale may be executed in two counterparts (by original, facsimile or electronic "PDF" signatures), each of which will be deemed an original but both of which together will constitute one and the same agreement.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the Parties have executed this Bill of Sale as of the date first above written.

BUYER

QUADRANT 4 SYSTEM CORPORATION

By: _____

Name:

Title:

[Bill of Sale]

SELLER

GREAT PARENTS ACADEMY, LLC

By: _____

Name:

Title:

[Bill of Sale]

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT, dated as of November 3, 2016 (this “*Agreement*”), is entered into by and between **QUADRANT 4 SYSTEM CORPORATION**, an Illinois corporation (the “*Buyer*”) and **GREAT PARENTS ACADEMY, LLC**, a Georgia limited liability company (the “*Seller*” and together with the Buyer, the “*Parties*”).

Reference is made to that certain Asset Purchase Agreement, dated as of November 3, 2016 (the “*Purchase Agreement*”), by and among the Buyer and the Seller. Capitalized terms used and not otherwise defined herein shall have the meanings given to them in the Purchase Agreement.

WITNESSETH:

WHEREAS, in connection with the transactions contemplated by the Purchase Agreement, the Buyer has agreed to assume the Assumed Liabilities; and

WHEREAS, the execution and delivery of this Agreement are made pursuant to the Purchase Agreement.

NOW, THEREFORE, in consideration of the above premises and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Section 1. Assignment. On and subject to the terms of the Purchase Agreement, (a) the Seller hereby sells, assigns, grants, conveys and transfers to Buyer all of Seller’s right, title and interest in, to and under the Purchased Assets and (b) the Seller hereby assigns and transfers to the Buyer the Assumed Liabilities.

Section 2. Assumption. On and subject to the terms of the Purchase Agreement, in consideration of the Seller’s assignment, the Buyer hereby (a) accepts such assignment and (b) assumes and agrees to pay, perform and discharge, when due in accordance with the terms thereof, the Assumed Liabilities. Buyer does not hereby and will not assume, agree to pay, perform or discharge, however, any of those certain Liabilities as specifically enumerated in Section 2.4 (Excluded Liabilities) of the Purchase Agreement.

Section 3. Further Assurances. Each of the Buyer and the Seller hereby agrees to take any and all additional actions and to execute, acknowledge and deliver any and all documents which any other party hereto may reasonably request in order to effect the intent and purposes of the transactions contemplated hereby.

Section 4. Amendments. This Agreement may not be amended except by an instrument in writing signed by the Buyer and the Seller. By an instrument in writing, the Buyer, on the one hand, or the Seller, on the other hand, may waive compliance by the other with any term or provision of this Agreement that such other party was or is obligated to comply with or perform.

Section 5. No Third Party Beneficiaries. This Agreement shall not confer any rights or remedies upon any Person other than the Parties hereto and their respective successors and permitted assigns, personal representatives, heirs and estates, as the case may be.

Section 6. JURISDICTION; SERVICE OF PROCESS. EACH PARTY (A) CONSENTS TO THE EXCLUSIVE PERSONAL JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED IN THE STATE OF DELAWARE (AND ANY CORRESPONDING APPELLATE COURT) IN ANY PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, (B) WAIVES ANY VENUE OR INCONVENIENT FORUM DEFENSE TO ANY PROCEEDING MAINTAINED IN SUCH COURTS, AND (C) EXCEPT AS OTHERWISE PROVIDED IN THE PURCHASE AGREEMENT, AGREES NOT TO INITIATE ANY PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT IN ANY OTHER COURT OR FORUM. PROCESS IN ANY SUCH PROCEEDING MAY BE SERVED ON ANY PARTY ANYWHERE IN THE WORLD.

Section 7. Governing Law. This Agreement will be governed by the laws of the State of Delaware without giving effect to any choice or conflict of law principles of any jurisdiction.

Section 8. Specific Performance. Each party acknowledges that the other party would be damaged irreparably and would have no adequate remedy of law if any provision of this Agreement is not performed in accordance with its specific terms or otherwise is breached. Accordingly, each party agrees that the other party will be entitled to an injunction to prevent any breach of any provision of this Agreement and to enforce specifically any provision of this Agreement, in addition to any other remedy to which they may be entitled and without having to prove the inadequacy of any other remedy they may have at law or in equity and without being required to post bond or other security.

Section 9. Headings. The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 10. Purchase Agreement. This Agreement is subject in all respects to the terms and conditions of the Purchase Agreement, which is hereby incorporated in its entirety herein by reference. To the extent of any conflict between the terms of the Purchase Agreement and this Agreement, the Purchase Agreement shall control. Nothing contained in this Agreement shall be deemed to supersede any of the covenants, agreements, representations or warranties of the applicable parties contained in the Purchase Agreement.

Section 11. Severability. Any provision of this Agreement that is determined by any court of competent jurisdiction to be invalid or unenforceable will not affect the validity or enforceability of any other provision hereof or the invalid or unenforceable provision in any other situation or in any other jurisdiction. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

Section 12. Counterparts; Facsimile or Electronic Signatures. This Agreement may be executed in two counterparts (by original, facsimile or electronic “PDF” signatures), each of which will be deemed an original but both of which together will constitute one and the same agreement.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

BUYER

QUADRANT 4 SYSTEM CORPORATION

By: _____

Name:

Title:

[Assignment and Assumption Agreement]

SELLER
GREAT PARENTS ACADEMY, LLC

By: _____

Name:

Title:

[Assignment and Assumption Agreement]

ROYALTY AGREEMENT

This ROYALTY AGREEMENT (this “*Agreement*”) is made as of November 3, 2016, by and between Great Parents Academy, LLC, a Georgia limited liability company d/b/a GPA Learn, LLC (the “*Seller*”), and Quadrant 4 System Corporation, an Illinois corporation (the “*Purchaser*”). Seller and Purchaser may each be referred to herein individually as a “*Party*” and together as the “*Parties*” as context so requires. Terms utilized but not otherwise defined herein shall have the meaning given to such term in the Asset Purchase Agreement (defined below).

WHEREAS, Purchaser and Seller are parties to that certain Asset Purchase Agreement (the “*Asset Purchase Agreement*”), dated as of November 3, 2016, by and between the Parties and pursuant to which Seller has agreed to sell, assign, transfer, convey and deliver to the Purchaser, and the Purchaser has agreed to purchase, acquire and accept from the Seller, the entire right, title and interest of the Seller in and to the “*Purchased Assets*”; and

WHEREAS, in connection with the Asset Purchase Agreement and as consideration for the Purchased Assets the Parties have agreed to enter into this Agreement, pursuant to which Purchaser has agreed to grant the Seller a royalty in the Software Assets (defined below), which represent a portion of the Purchased Assets and make the periodic payments set forth herein.

NOW, THEREFORE, in consideration of the promises and the mutual agreements and covenants hereinafter set forth, and intending to be legally bound, the Seller and the Purchaser hereby agree as follows:

AGREEMENT

1. Sale and Purchase.

1.1 Sale and Purchase. Pursuant to the Asset Purchase Agreement, and any Ancillary Agreements, or any of the other agreements, documents and certificates contemplated or executed in connection therewith (all, the “*Transaction Documents*”), the consummation of the transactions contemplated hereby or thereby (the “*Transactions*”) Seller has granted, sold, conveyed, assigned, transferred, and delivered unto Purchaser, and Purchaser has purchased and accepted from Seller all right, title, and interest in the Business, including that certain software application “*LoveMath*” including all source and object code, all documentation and specifications, all media, schematics and designs and all Intellectual Property in connection therewith (collectively, “*LoveMath*” or the “*Software Assets*”).

2. Royalties.

2.1 Royalty Payments. During the Term, Purchaser hereby agrees to pay to Seller the following “*Royalty Payments*”:

(a) *Royalty on Post-Closing Date Subscriptions.* Except for as provided in Section 2.1(b) and 2.2, with respect to all Subscriptions purchased after the Closing Date, Purchaser hereby agrees to pay Seller fifty percent (50%) of all Top Line Sales associated therewith.

(b) *Royalty on Prospective Subscriptions.* Section 2.1(a) notwithstanding, Purchaser hereby agrees to pay Seller ninety percent (90%) of all Top Line Sales associated with Subscriptions purchased by (i) Persons that are or have in the past been registered as Subscribers prior to Closing Date and (ii) Persons that purchase a Subscription prior to the end of the 2017-2018 academic year and that are currently prospective Subscribers as mutually agreed to by Purchaser and Seller within 10 business days of the Closing Date, a list of which shall be attached hereto as Exhibit A, which list shall include all schools, teachers and districts that are in the Seller's active pipeline and all Subscribers from resellers whose agreements were negotiated by the Seller prior to the date hereof.

(c) *Royalty on GPA Platform Subscriptions.* Purchaser hereby agrees to pay Seller 10% of all Top Line Sales associated with Purchaser's utilization of the GPA Platform in connection with Purchaser's sales of subscriptions or licenses for other products offered by Purchaser.

(d) *Restrictions on Subscription Fees.* Purchaser acknowledges and agrees that Subscription Fees charged to Subscribers are calculated on a per User per month basis ("**PUPM**"). Except as provided in Section 2.2, Purchaser hereby agrees that Purchaser will not offer or agree to a Subscription Fee for any Subscriber of less than sixty-six cents (\$0.66), after giving effect to any rebates or discount pricing offered by Purchaser to the Subscriber PUPM; *provided, however*, that in the event Purchaser determines it is necessary to reduce the Subscription Fee for any Subscriber to less than sixty-six cents (\$0.66) PUPM, Purchaser may, with the prior written consent of Seller, which shall not be unreasonably withheld, appropriately reduce such Subscription Fee(s).

2.2 Pilot Period. Purchaser, in its discretion, may allow a prospective Subscriber to participate in a pilot period during which such Subscriber and Subscriber's Users may be granted a Subscription, free of charge ("**Pilot Period**"), provided that such Pilot Period(s) not exceed a term of five (5) months under any circumstance.

2.3 Payment; Subscription Reports. During the Term, and beginning on January 5, 2017 Purchaser shall (a) pay the Royalty Payments on a quarterly basis (provided that the measurement period for the initial payment shall be the period commencing on the date hereof and ending December 31, 2016), with payment being due to Seller on the fifth (5th) day of each calendar quarter, in arrears; and (b) provide an audit report to Seller on the tenth (10th) day of each calendar quarter which report shall specify (i) each Subscriber holding a Subscription under Section 2.1(a) above, the Subscription Fees charged to each Subscriber, on a PUPM basis, and the number of Users that make use of the Subscription, (ii) each Subscriber holding a Subscription under Section 2.1(b) above, the Subscription Fees charged to each Subscriber on a PUPM basis, and the number of Users that make use of the Subscription, (iii) any Person to whom Seller has sold a license or subscription to use the GPA Platform pursuant to Section 2.1(c), regardless of the product hosted on the platform, and (iv) with respect to any Pilot Period under Section 2.2, the prospective Subscriber who is granted a Subscription under the Pilot Period, the number of Users who have access during the Pilot Period and the start date and term of the Pilot Period. Purchaser shall pay to Seller all Royalty Payments as set forth in this Section 2.3 based upon the fees actually collected by Purchaser from its Subscribers, Users or customers.

2.4 Audit Rights. Purchaser shall keep and maintain complete and accurate records and books in sufficient detail to permit an accurate determination of the Royalty Payments payable

hereunder to Seller and shall permit Seller and/or its third party auditors and agents, upon reasonable prior notice, to inspect and audit those records that are reasonably asked for, to the extent that Seller believes in good faith that an inspection and/or audit of the records is necessary to determine whether Purchaser is complying or has complied with its obligations under this Agreement.

3. Transaction Rescission Option and Procedure; Sale Transaction.

3.1 Rescission Option and Rescission Period. In the event that (a) Purchaser has failed to deliver to Seller the Minimum Recoupment (defined below) prior to the conclusion of the Term or prior to Seller's termination of this Agreement under Section 4.2 (each, a "**Rescission Event**"), then at any time during the thirty (30) days that follow the occurrence of a Rescission Event (the "**Rescission Period**"), Seller shall have the option (the "**Rescission Option**"), to demand that the Purchaser return the Purchased Assets to the Seller and for Purchaser to agree to return to Seller the Purchased Assets and, to the fullest extent possible, rescind and unwind the Transactions contemplated by the Transaction Documents (other than those related to the Rescission Option), including, without limitation, the return of the Shares by Seller to Purchaser and the assumption by Seller of the Assumed Liabilities, which are effective as of the Closing Date.

3.2 Exercise Notice and Option Closing. At any time during the Rescission Period, Seller may exercise the Rescission Option by giving Purchaser written notice (the "**Exercise Notice**"), of Seller's intent to exercise the Rescission Option. The Exercise Notice shall set forth the proposed date, time and place for the closing of the assignment and transfer of the Purchased Assets back to Seller (the "**Option Closing**"), which in no case shall occur later than five (5) days after Purchaser receives the Exercise Notice. At the Option Closing (which shall be deemed to have taken place on the Closing Date), (a) Purchaser shall surrender, assign, transfer, convey and deliver back to Seller the Purchased Assets and the Assumed Liabilities, (b) the Transaction Documents shall be terminated, (c) Seller shall surrender, assign, transfer, convey and deliver back to Purchaser the Shares, and (d) all other reasonable actions shall be taken by Purchaser and Seller to place each party in the same position it would have been in had the Transactions contemplated by the Transaction Documents not occurred. If Seller does not exercise the Rescission Option within the Rescission Period, then the Rescission Option and this Section 3 shall be null and void.

3.3 Minimum Recoupment. For purposes of this Section 3, the term "**Minimum Recoupment**," shall mean the minimum aggregate amount of Royalty Payments that Purchaser is obligated to pay to Seller under this Agreement, which amount shall be equal to or greater than Three Million Eight Hundred and Fifty Thousand Dollars (\$3,850,000.00). Notwithstanding anything in this Agreement to the contrary, all Royalty Payments made by Seller to Purchaser are non-refundable, regardless of whether Purchaser exercises its Rescission Option or this Agreement is otherwise terminated.

3.4 Sale of Software Assets. In the event that Purchaser transfers all or a portion of the Software Assets as part of an asset sale transaction, or intra-company transfer (unless such intra-company transfer has been approved in writing by a majority of the members of the Steering Committee) (a "**Software Asset Transfer**"), then Seller shall have the right to exercise the

Rescission Option. If Seller does not exercise its Rescission Option, and Purchaser has not paid to Seller the Minimum Recoupment prior to the closing of the Software Asset Transfer, then concurrently with the closing of the Software Asset Transfer, Seller shall receive the greater of (a) fifty-percent (50%) of the gross purchase price paid for the Software Assets, or (b) the outstanding balance due and owing on the Minimum Recoupment.

4. Term and Termination.

4.1 Term. The term of this Agreement shall commence on the Closing Date and continue for a period of seven (7) years thereafter (the "**Term**").

4.2 Termination. If Purchaser breaches any of its obligations under this Agreement and such breach remains uncured for a period of thirty (30) days following Purchaser's receipt of written notice from Seller informing Purchaser of the nature of such breach and Purchaser's opportunity to cure within the allotted time, Seller may immediately terminate this Agreement without written notice to Purchaser and exercise the Rescission Option under Section 3 above.

5. Representations and Warranties of Seller. All representations and warranties provided by Seller under the Asset Purchase Agreement are incorporated into and govern this Agreement.

6. Representations and Warranties of Purchaser. In addition to the obligations set forth in Section 6.1, all representations and warranties provided by Purchaser under the Asset Purchase Agreement are incorporated into and govern this Agreement.

6.1 Marketing. Purchaser shall use its best efforts to market, promote, and sell Subscriptions for LoveMath in order to satisfy its obligations hereunder. LoveMath shall be marketed and sold as Purchaser's primary PreK-5th grade math digital curriculum product to any Person and in any situation where one of Purchaser's other products would have otherwise been a direct competitor of LoveMath if LoveMath was being sold by Seller. Purchaser may choose to make another product the primary product for any Person or situation where LoveMath does not meet the Person's or situational functionality requirements. In situations where LoveMath is not Purchaser's primary product in its sales efforts, Purchaser will continue to devote the same effort and resources to the promotion, marketing, and sales of Subscriptions that Purchaser devotes to the promotion, marketing, and sales of any other software, software platform or application that Purchaser owns, promotes, markets, or sells at any time during the Term.

7. General Matters.

7.1 Contents of Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all previous proposals, both oral and written, negotiations, representations, commitments, writings and all other communications between the Parties.

7.2 Amendment, Parties in Interest, Assignment, Miscellaneous. This Agreement may be amended, modified, or supplemented only by a written instrument duly executed by each of the Parties. If any provision of this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal, or

unenforceable provision had never been contained herein. This Agreement shall be binding upon, inure to the benefit of and be enforceable by the respective successors, and permitted assigns and transferees of the Parties. Neither this Agreement nor any rights or obligations hereunder may be assigned or otherwise transferred by either Party, voluntarily or involuntarily, without the prior written consent of the other Party, and no such assignment or transfer shall be effective until the assignee or transferee has agreed in writing to assume and abide by all rights and obligations set forth in this Agreement.

7.3 Counterparts. This Agreement may be executed in two or more counterparts (delivery of which may occur via facsimile), each of which shall be binding as of the date first written above, and, when delivered, all of which shall constitute one and the same instrument. A facsimile signature or electronically scanned copy of a signature shall constitute and shall be deemed to be sufficient evidence of a Party's execution of this Agreement, without necessity of further proof. Each such copy (or facsimile) shall be deemed an original, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart.

7.4 Notices. Any notice, request, demand, waiver, consent, approval or other communication which is required or permitted hereunder shall be in writing and shall be deemed given (a) on the date established by the sender as having been delivered personally, (b) on the date delivered by a private courier as established by the sender by evidence obtained from the courier, (c) on the date sent by facsimile, with confirmation of transmission, if sent during normal business hours of the recipient, if not, then on the next Business Day, or (d) on the fifth day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications, to be valid, must be addressed as follows:

If to the Purchaser, to:

Nandu Thonadvadi
Quadrant 4 System Corporation
1501 Woodfield Road, Suite 205
Schaumburg, IL 60173

With a required copy to:

Nixon Peabody LLP
70 W. Madison, Suite 3500
Chicago, Illinois 60602
Attn: Gary I. Levenstein, Esq.
Telecopier No.: (844) 562-7985

If to the Seller, to:

Great Parents Academy, LLC
3575 Piedmont Road NE
Building 15 Suite 1005
Atlanta, GA 30305

With a required copy to:

William J. Ching
Nelson Mullins Riley & Scarborough LLP
Atlantic Station
201 17th Street NW, Suite 1700
Atlanta, GA 30363

or to such other address or to the attention of such Person or Persons as the recipient party has specified by prior written notice to the sending party (or in the case of counsel, to such other readily ascertainable business address as such counsel may hereafter maintain). If more than one method for sending notice as set forth above is used, the earliest notice date established as set forth above shall control.

7.5 Governing Law. This Agreement shall be governed by and interpreted and enforced in accordance with the Laws of the State of Georgia, without giving effect to any choice of Law or conflict of Laws rules or provisions (whether of the State of Georgia or any other jurisdiction) that would cause the application of the Laws of any jurisdiction other than the State of Georgia.

7.6 Severability. Any provision of this Agreement which is invalid or unenforceable in any jurisdiction shall be ineffective to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable the remaining provisions hereof, and any such invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

7.7 Definitions. Certain terms used in this Agreement are listed in alphabetical order and defined or referred to below (such terms as well as any other terms defined elsewhere in this Agreement shall be equally applicable to both the singular and plural forms of the terms defined).

(a) **“Contract”** means any written or oral contract, agreement, lease, instrument, or other document or commitment, arrangement, undertaking, practice, or authorization that is binding on any Person or its property under any applicable Law.

(b) **“Subscriber”** means any Person who holds a Subscription hereunder.

(c) **“Subscription”** means an agreement between Subscriber and Seller or Purchaser, as applicable, pursuant to which Subscriber is granted a license for the use of LoveMath application and other Software Assets (including without limitation any modifications, enhancements or derivatives of the foregoing), and regardless of whether LoveMath and the Software Assets are licensed as standalone products or are included as part of a bundled offering, and to grant Subscriber’s Users the right to access and make use of the same, in exchange for Subscriber’s payment of Subscription Fees.

(d) **“Subscription Fees”** the fees that Subscriber agrees to pay to the Purchaser in exchange for the Subscription.

(e) “*Top Line Sales*” means the gross sales or revenues resulting from or arising out Subscription sales and Subscription Fees.

(f) “*User*” means any natural persons to whom a Subscriber grants the right to access and make use of the Software Assets under a Subscription.

[signature page follows]

IN WITNESS WHEREOF, this Agreement has been executed by the Parties hereto as of the date first written above.

GREAT PARENTS ACADEMY, LLC

By: _____

Name:

Title:

QUADRANT 4 SYSTEM CORPORATION

By: _____

Name:

Title:

[Royalty Agreement]

EXHIBIT A
PROSPECTIVE SUBSCRIBERS

[to be attached]

FIRST AMENDMENT TO CREDIT AGREEMENT

THIS FIRST AMENDMENT TO CREDIT AGREEMENT (this "Amendment") is entered into as of November 3, 2016, by and between (i) QUADRANT 4 SYSTEM CORPORATION, an Illinois corporation ("Borrower"), (ii) immediately upon the consummation of the California Acquisition, STRATITUDE, INC., a California corporation (the "Guarantor", and together with Borrower, collectively referred to herein as the "Loan Parties" and individually each referred to herein as a "Loan Party"), and (iii) BMO HARRIS BANK N.A, a national banking association, as ("Bank").

RECITALS:

WHEREAS, Bank and the Borrower have entered into that certain Credit Agreement, dated as of July 1, 2016 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), pursuant to which Bank, subject to the terms and conditions of the Loan Documents, has made available to the Borrower a term loan, a revolving credit facility and the CapEx Software loans; and

WHEREAS, each Loan Party has requested that the Bank amend certain provisions of the Credit Agreement, and Bank is willing to do so subject to the terms and conditions of this Amendment.

NOW, THEREFORE, for and in consideration of the premises and mutual agreements herein contained and for the purposes of setting forth the terms and conditions of this Amendment, the parties hereto, intending to be bound, hereby agree as follows:

1. Capitalized Terms. All capitalized terms which are not defined in this Amendment shall have the same meanings as set forth in the Credit Agreement after giving effect to the amendments to the Credit Agreement set forth herein.

2. Amendments to the Credit Agreement. Subject to the terms and conditions of this Amendment, the Credit Agreement is amended as follows:

(a) The following definitions are added to Section 1.1 of the Credit Agreement in alphabetical order, to read as follows:

"Agama Acquisition" means the Acquisition by Stratitude of all or substantially all of the assets of Agama Solutions Inc. pursuant to the terms and conditions of the Agama Purchase Agreement.

"Agama Purchase Agreement" means that certain Asset Purchase Agreement, dated as of November 3, 2016, by and among Stratitude, as purchaser, and Agama Solutions Inc., as seller.

"Agama Purchase Documents" means, collectively, (a) the Agama Purchase Agreement and (b) all other agreements, instruments and documents executed and delivered in connection therewith.

“**BIP Warrant**” means that certain warrant by Borrower in favor of Second Lien Lender to purchase 3,000,000 shares of common stock of Borrower substantially in the form of Exhibit A attached to the applicable Second Lien Loan Document on the terms and conditions set forth therein.

“**Brainchild Earn-Out**” means the “Earn Out” payable to the Brainchild Seller pursuant to Section 1.2.3 of the Brainchild Purchase Agreement.

“**Brainchild Put Right**” means the put right payable to the Brainchild Seller pursuant to Section 1.2.2 of the Brainchild Purchase Agreement.

“**Brainchild Seller**” means Jeffrey Cameron and Beverly Cameron, former stockholders of Brainchild Corporation.

“**Brainchild Purchase Agreement**” means that certain Stock Purchase Agreement, by and between Borrower and Brainchild Seller, dated as of January 1, 2015.

“**California Acquisition**” means the Acquisition by Borrower of all or substantially all of the capital stock of Stratitude, Inc. pursuant to the terms and conditions of the California Purchase Agreement (it being understood that Stratitude will be consummating the Agama Acquisition immediately prior to the California Acquisition).

“**California Acquisition Subordination Agreement**” means that certain Subordination Agreement dated as of November 3, 2016 by and among Borrower, Bank and the California Purchase Agreement Seller.

“**California Purchase Agreement**” means that certain Stock Purchase Agreement, dated as of November 3, 2016, by and among Borrower, Stratitude, Inc., a California corporation, and the California Purchase Agreement Seller.

“**California Purchase Agreement Earn-Out**” means the “Earnout Consideration” payable to the California Purchase Agreement Seller pursuant to Section 1.5 and Exhibit B of the California Purchase Agreement.

“**California Purchase Agreement Seller**” means, individually and collectively, the shareholders listed on Exhibit A to the California Purchase Agreement.

“**California Purchase Documents**” means, collectively, (a) the California Purchase Agreement and (b) all other agreements, instruments and documents executed and delivered in connection therewith.

“**DialedIn Earn-Out**” means the “General Revenue Earnout” (as defined in the DialedIn Merger Agreement) and the “HP Earnout” (as defined in the DialedIn Merger Agreement) payable to the Shareholders (as defined in the DialedIn Merger Agreement) pursuant to Section 2.4(ii) and (iii) of the DialedIn Merger Agreement.

“**DialedIn EO Recipients**” means Shareholders and officers and employees of DialedIn, Inc. receiving payments of the DialedIn Earn-Out.

“**DialedIn General Sales Commission**” means the “General Sales Commission” (as defined in the DialedIn Sales Commission Agreement) payable to the former shareholders of DialedIn Inc. pursuant to the DialedIn Sales Commission Agreement.

“**DialedIn HP Sales Commission**” means the “HP Sales Commission” (as defined in the DialedIn Sales Commission Agreement) payable to the former shareholders of DialedIn Inc. pursuant to the DialedIn Sales Commission Agreement.

“**DialedIn Merger Agreement**” means that certain Agreement and Plan of Merger, by and among DialedIn, Inc., Q-Dial Corp. and Borrower, dated as of November __, 2015.

“**DialedIn Sales Commission Agreement**” means that certain Sales Commission Agreement between Borrower and the former shareholders of DialedIn Inc. dated effective as of the later of January 8, 2016 or the date fully executed by both parties.

“**Distributions**” by a Person means (a) dividends or other distributions on any now or hereafter outstanding capital stock of such Person; (b) the redemption, repurchase, defeasance or acquisition of such capital stock or of warrants, rights or other options to purchase such capital stock; and (c) any loans or advances (other than salaries or reimbursement of employee expenses in the ordinary course of business), to any stockholder(s), partner(s) or member(s) of such Person.

“**Exchange Act**” means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission thereunder.

“**First Amendment Effective Date**” means November 3, 2016.

“**GPA Learn Acquisition**” means the Acquisition by Borrower of the “Purchased Assets” (as such term is defined in the GPA Learn Purchase Agreement) pursuant to the GPA Learn Purchase Agreement.

“**GPA Learn Purchase Agreement**” means that certain Asset Purchase Agreement, dated as of November 3, 2016, by and between Borrower, as purchaser, and the GPA Learn Seller.

“**GPA Learn Purchase Documents**” means, collectively, (a) the GPA Learn Purchase Agreement and (b) all other agreements, instruments and documents executed and delivered in connection therewith.

“**GPA Learn Royalties**” means, collectively, the “Royalty Payments” (as defined in the GPA Learn Royalty Agreement) payable to the GPA Learn Seller.

“**GPA Learn Royalty Agreement**” means that certain Royalty Agreement dated as of November 3, 2016 by and between the GPA Learn Seller and Borrower.

“**GPA Learn Seller**” means Great Parents Academy, LLC, a Georgia limited liability company.

“**Related Agreements**” means, collectively, (a) the Agama Purchase Documents, (b) the GPA Learn Purchase Documents and (c) California Purchase Documents.

“**Related Transaction**” means, collectively, (a) the Agama Acquisition, (b) the GPA Learn Acquisition and (c) the California Acquisition.

“**Reporting Company**” means a Person that has a class of securities registered under the Exchange Act or is otherwise required to file reports with the SEC under the Exchange Act.

“**Sandton**” means Sandton Credit Opportunities Fund I, LP, together with any of its Affiliates and their respective successors and assigns.

“**SEC**” means the Securities and Exchange Commission.

“**Securities Act**” means the Securities Act of 1933, as amended, or any similar federal statute, and the rules and regulations thereunder as the same shall be in effect at the time.

“**Specified GPA Learn Loss Reserve**” means from the First Amendment Effective Date and at all times thereafter, a reserve established by Bank against the Borrowing Base in respect of the GPA Learn Loss in an amount equal to \$50,000 (or such lesser or greater amount as Bank may elect in its sole discretion from time to time).

“**Stratitute**” means Stratitute, Inc., a California corporation, and Wholly-owned Subsidiary of Borrower that became a Guarantor immediately following the California Acquisition on the First Amendment Effective Date.

“**Trading Market**” means any of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the NYSE AMEX, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market, the New York Stock Exchange, the OTC Bulletin Board, OTCQB, or OTCQX (or any successors to any of the foregoing).

(b) The following definitions set forth in Section 1.1 of the Credit Agreement are hereby amended and restated in their entirety to read as follows:

“**Borrowing Base**” means , as of any time it is to be determined, the sum of:

- (a) 80% of the then outstanding unpaid amount of Eligible Receivables; minus
- (b) the Specified Asset Sale Lien Reserve; minus
- (c) the Specified GPA Learn Loss Reserve; minus
- (d) the amount of other reserves imposed from time to time on the Borrowing Base by Bank acting in its Permitted Discretion;

provided that (i) Bank shall have the right upon five (5) Business Days’ notice to Borrower to reduce the advance rates against Eligible Receivables in its reasonable discretion based on results from any field audit or appraisal of the Collateral and (ii) the Borrowing Base shall be computed only as against and on so much of such Collateral as is included on the Borrowing Base Certificates furnished from time to time by Borrower pursuant to this Agreement and, if required by Bank pursuant to any of the terms hereof or any Collateral Document, as verified by such other evidence reasonably required to be furnished to Bank pursuant hereto or pursuant to any such Collateral Document.”

“Change of Control” means any of (a) the acquisition by any “person” or “group” (as such terms are used in sections 13(d) and 14(d) of the Exchange Act) at any time of beneficial ownership of 20% or more of the outstanding capital stock or other equity interests of Borrower on a fully diluted basis, (b) the failure of individuals who are members of the board of directors (or similar governing body) of Borrower on the Closing Date (together with any new or replacement directors whose initial nomination for election was approved by a majority of the directors who were either directors on the Closing Date or previously so approved) to constitute a majority of the board of directors (or similar governing body) of Borrower, (c) any “Change of Control” (or words of like import), as defined in any agreement or indenture relating to any issue of Indebtedness for Borrowed Money of Borrower or any Subsidiary shall occur, including, without limitation, the Second Lien Debt, (d) a sale, assignment, lease, conveyance, exchange, transfer, sale-leaseback or other disposition of more than 30% of the assets of Borrower and its Subsidiaries, taken as a whole, whether in one or a series of related transactions (excluding normal inventory sales and financing arrangements associated with inventory or receivables), (e) Borrower ceases to own and control 100% of the capital stock of each Guarantor, (f) approval by the board of directors (or equivalent governing body) of Borrower or any Subsidiary of a liquidation or dissolution of Borrower or such Subsidiary other than, as it relates to any such Subsidiary, the liquidation or dissolution of such Subsidiary shall not be deemed a Change of Control if the assets of such Subsidiary are transferred to Borrower or another Guarantor prior to, or concurrently with, such dissolution or liquidation or (g) a transaction or series of transaction with a controlling stockholder or other affiliated person(s) or third parties that terminates Borrower’s public company status and related reporting obligations under the Exchange Act (for the avoidance of doubt, any event, circumstance or change that results in Borrower’s cessation of reporting under the Exchange Act without also terminating Borrower’s public company status shall not be deemed a Change of Control).

“Earn Out Obligations” means and includes any earn out obligations, performance payments or similar obligations of the Borrower or any Subsidiary arising out of or in connection with a Permitted Acquisition or otherwise, including, without limitation, the Brainchild Earn-Out, the DialedIn Earn-Out and the California Purchase Agreement Earn-Out.

“Fixed Charges” means, with reference to any period for any Person, the sum of (a) all payments of principal due within 12 calendar months on and after the last day of such period with

respect to Indebtedness for Borrowed Money of such Person (including, without limitation, any and all payments anticipated to be made (whether contingent or non-contingent at the time) in respect of Earn Out Obligations), (b) Interest Expense of such Person for such period, (c) federal, state, and local income taxes paid or payable by such Person during such period and (d) any Distributions made in cash during such period. Notwithstanding the foregoing, clause (b) set forth above (the “*Applicable Item*”) shall be calculated as follows solely for each of the following fiscal quarters then ended:

(i) for the fiscal quarter ending on September 30, 2016, the Applicable Item shall be calculated as: actual Applicable Item for the period beginning on July 1, 2016 and ending on September 30, 2016 multiplied by four (4);

(ii) for the fiscal quarter ending on December 31, 2016, the Applicable Item shall be calculated as: actual Applicable Item for the period beginning on July 1, 2016 and ending on December 31, 2016 multiplied by two (2);

(iii) for the fiscal quarter ending on March 31, 2017, the Applicable Item shall be calculated as: actual Applicable Item for the period beginning on July 1, 2016 and ending on March 31, 2017 multiplied by one and one-third (1 1/3).

“*GPA Learn Loss*” is defined in Section 6.5(d).

“*Guarantor*” and “*Guarantors*” each is defined in Section 6.12(a), and includes, without limitation, Stratitude.

“*Second Lien Debt*” means the Indebtedness for Borrowed Money evidenced by the Second Lien Promissory Note and the other Second Lien Loan Documents in an aggregate principal amount of \$5,075,000 as of the date of initial incurrence thereof.

“*Second Lien Intercreditor Agreement*” means that certain Intercreditor Agreement dated as of November 3, 2016 between the Second Lien Lender and Bank, which is acknowledged and agreed to by Borrower and Stratitude, as the same may be amended, restated, supplemented or otherwise modified from time to time as permitted thereunder.

“*Second Lien Lender*” means, collectively, BIP Lender, LLC, as collateral agent, and BIP Quadrant 4 Debt Fund I, LLC, as lender, under the Second Lien Loan Documents.

“**Security Agreement**” means each general security agreement or similar agreement delivered to Bank in connection with this Agreement or any other Loan Document, including, without limitation, (a) that certain General Security Agreement dated the date of this Agreement between Borrower and Bank, and (b) that certain General Security Agreement dated the date of this Agreement between Stratitude and Bank, in each case as the same may be amended, restated, supplemented, or otherwise modified from time to time.

“**Subordination Agreements**” means, collectively, (a) the Second Lien Intercreditor Agreement, (b) the California Acquisition Subordination Agreement and (c) all other subordination agreements executed by a holder of Subordinated Debt in favor of Bank from time to time on or after the Closing Date in form and substance and on terms and conditions satisfactory to Bank.

“**Warrants**” means, collectively, any and all warrants of any kind issued by Borrower at any time and from time to time, including, without limitation, the BIP Warrant.

(c) The definitions of “**Specified Convertible Debentures**”, “**Specified Convertible Debentures Reserve**”, “**Specified Convertible Debentures Reserve Removal Date**”, “**Specified Tax Lien Reserve**” and “**Specified Tax Lien Reserve Removal Date**” set forth in Section 1.1 of the Credit Agreement are hereby deleted in their entirety.

(d) The definition of “**EBITDA**” set forth in Section 1.1 of the Credit Agreement is hereby revised to add the following at the end of such definition:

“Notwithstanding the foregoing, “**EBITDA**” shall be calculated as follows solely for each of the following fiscal quarters:

Fiscal Quarter Ending	EBITDA
March 31, 2016	\$ 1,076,202
June 30, 2016	\$ 3,180,975
September 30, 2016	\$ 2,250,000

(e) (i) The phrase “means any Acquisition by Borrower or any domestic Wholly-owned Subsidiary thereof where:” at the beginning of the definition of “Permitted Acquisition” set forth in Section 1.1 of the Credit Agreement is hereby amended and restated in its entirety to read as follows: “means (x) the Related Transaction and (y) any Acquisition by Borrower or any domestic Wholly-owned Subsidiary thereof where:”; (ii) the word “and” at the

end of clause (p) of the definition of “Permitted Acquisition” set forth in Section 1.1 of the Credit Agreement is hereby deleted in its entirety; (iii) clause (q) of the definition of “Permitted Acquisition” is hereby amended and restated in its entirety to read as follows: “(q) Borrower and its Subsidiaries shall not assume or acquire any Indebtedness for Borrowed Money in connection with such Acquisition to the extent such Indebtedness would not be permitted under Section 7.1 hereof; and”; and (iv) a new clause (r) is hereby inserted at the end of such definition immediately following clause (q) thereof to read as follows: “to the extent readily available to Borrower or any domestic Wholly-owned Subsidiary, Borrower or such Subsidiary shall have provided Bank with such other information with respect to such Acquisition as reasonably requested by Bank.”.

(f) Section 4.2(a) of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

“(a) (i) with respect to any initial Credit Event made on the Closing Date, each of the representations and warranties set forth herein and in the other Loan Documents shall be and remain true and correct in all respects as of said time, except to the extent the same expressly relate to an earlier date, in which case such representations and warranties shall be and remain true and correct in all respects as of such earlier date; and (ii) with respect to any Credit Event made after the Closing Date, each of the representations and warranties set forth herein and in the other Loan Documents shall be and remain true and correct in all material respects as of said time (except (x) to the extent that such representation or warranty is qualified by materiality or Material Adverse Effect, in which case such representations and warranties shall be and remain true and correct in all respects, and (y) to the extent the same expressly relate to an earlier date, in which case such representations and warranties shall be and remain true and correct in all respects as of such earlier date);”

(g) Section 5.5 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

“**Section 5.5 Financial Reports.** (a) The consolidated balance sheet of Borrower as at December 31, 2015, and the related consolidated statements of income, retained earnings and cash flows of Borrower for the fiscal year then ended, and accompanying notes thereto, which financial statements are accompanied by the audit report of Schulman, Lobel, Zand, Katzen, Williams & Blackman LLP, independent public accountants, and the unaudited interim consolidated balance sheet of Borrower as at April 30, 2016, and the related consolidated statements of income, retained earnings and cash flows of Borrower for the three (3) months then ended, heretofore furnished to Bank, fairly present the consolidated financial condition of

Borrower as at said dates and the consolidated results of their operations and cash flows for the periods then ended in conformity with GAAP applied on a consistent basis. Borrower has no contingent liabilities which are material to it other than as indicated on such financial statements and, with respect to future periods, neither Borrower nor any Subsidiary has any contingent liabilities which are material to it other than as indicated on the financial statements furnished pursuant to Section 6.5.

(b) The balance sheet of each of Agama Solutions Inc. and Stratitude as at December 31, 2014 and December 31, 2015, and the related statements of income, retained earnings and cash flows of each of Agama Solutions Inc. and Stratitude for the fiscal years then ended, and accompanying notes thereto, which financial statements are accompanied by a quality of earnings report, the unaudited interim income statement of each of Agama Solutions Inc. and Stratitude for each of the calendar months ending as of July 31, 2016 and August 31, 2016, and the unaudited interim consolidated income statement of Borrower and its Subsidiaries as at August 31, 2016, heretofore furnished to Bank, fairly present the consolidated financial condition of Agama Solutions Inc., Stratitude and/or Borrower and its Subsidiaries, as applicable, as at said dates and the consolidated results of their operations and cash flows for the periods then ended in conformity with GAAP applied on a consistent basis. Neither Borrower nor any Subsidiary has any contingent liabilities which are material to it other than as indicated on such financial statements and, with respect to future periods, neither Borrower nor any Subsidiary has any contingent liabilities which are material to it other than as indicated on the financial statements furnished pursuant to Section 6.5.

(h) Section 5.14 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

“Section 5.14 Affiliate Transactions. Neither Borrower nor any Subsidiary is a party to any contracts or agreements with any of its Affiliates (other than as set forth on Schedule 5.14 hereto) on terms and conditions which are less favorable to Borrower or such Subsidiary than would be usual and customary in similar contracts or agreements between Persons not affiliated with each other.”

(i) New Sections 5.24, 5.25, 5.26, 5.27, 5.28, 5.29 and 5.30 are hereby added to the Credit Agreement immediately following Section 5.23 thereof to read as follows:

“Section 5.24 Related Agreements. (a) Borrower has heretofore furnished Bank a true and correct copy of the Related Agreements.

(b) Borrower and each of its Subsidiaries and, to Borrower's knowledge, each other party to the Related Agreements, has duly taken all necessary corporate, partnership or other organizational action to authorize the execution, delivery and performance of the Related Agreements and the consummation of transactions contemplated thereby.

(c) The Related Transaction will comply in all material respects with all applicable legal requirements, and all necessary governmental, regulatory, creditor, shareholder, partner and other material consents, approvals and exemptions required to be obtained by Borrower and each of its Subsidiaries and, to Borrower's knowledge, each other party to the Related Agreements in connection with the Related Transaction will be, prior to consummation of the Related Transaction, duly obtained and will be in full force and effect. As of the date of the Related Agreements, all applicable waiting periods with respect to the Related Transaction will have expired without any action being taken by any competent governmental authority which restrains, prevents or imposes material adverse conditions upon the consummation of the Related Transaction.

(d) The execution and delivery of the Related Agreements did not, and the consummation of the Related Transaction will not, violate any statute or regulation of the United States (including any securities law) or of any state or other applicable jurisdiction, or any order, judgment or decree of any court or governmental body binding on Borrower and/or any of its Subsidiaries or, to Borrower's knowledge, any other party to the Related Agreements, or result in a breach of, or constitute a default under, any material agreement, indenture, material instrument or other material document, or any judgment, order or decree, to which Borrower and/or any of its Subsidiaries is a party or by which Borrower and/or any of its Subsidiaries is bound or, to Borrower's knowledge, to which any other party to the Related Agreements is a party or by which any such party is bound.

(e) No statement or representation made in the Related Agreements by Borrower and/or any of its Subsidiaries or, to Borrower's knowledge, any other Person, contains any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they are made, not misleading.

Section 5.25 Collective Enterprise. Borrower and its Subsidiaries are engaged in the businesses of providing cloud

based Platform-as-a-Service (PaaS) and Software-as-a-Service (SaaS) products to the health insurance, media and education verticals as of the First Amendment Effective Date, as well as in certain other related businesses. These operations require financing on a basis such that the credit supplied can be made available from time to time to Borrower, as required for the continued successful operation of Borrower and its Subsidiaries taken as a whole. Borrower and its Subsidiaries have requested Bank to make credit available hereunder to Borrower primarily for the purposes of Section 6.11 and generally for the purposes of financing the operations of Borrower and its Subsidiaries. Each of Borrower and each of its Subsidiaries expects to derive benefit (and the Board of Directors of each of Borrower and each of its Subsidiaries has determined that Borrower and such Subsidiary may reasonably be expected to derive benefit), directly or indirectly, from a portion of the credit extended by Bank hereunder, both in its separate capacity and as a member of the group of companies, since the successful operation and condition of Borrower and each of its Subsidiaries (collectively, the “*Obligors*”) is dependent on the continued successful performance of the functions of the group as a whole. Borrower acknowledges, on behalf of itself and each of its Subsidiaries, that, but for the agreement of each of the other Obligors to execute and deliver this Agreement and the other Loan Documents, Bank would not have made available the credit facilities established hereby on the terms set forth herein.

Section 5.26 Labor Relations. Neither Borrower nor any Subsidiary has committed or is engaged in any unfair labor practice (as defined in the National Labor Relations Act of 1947 and the regulations thereunder, in each case, as amended). There is (a) no material unfair labor practice complaint pending or threatened against Borrower or any Subsidiary before the National Labor Relations Board and no material grievance or arbitration proceeding arising out of or under collective bargaining agreements is so pending or, to the knowledge of Borrower and/or any Subsidiary, threatened, (b) no strike, labor dispute, slowdown or stoppage pending or, to the knowledge of Borrower and/or any Subsidiary, threatened against Borrower or any Subsidiary, and (c) no union representation question existing with respect to the employees of Borrower or any Subsidiary, and, no union organizing activities are taking place. Except as set forth on Schedule 5.26, there is no employment contract with any employee of Borrower or any Subsidiary and the employment of all employees of Borrower or any Subsidiary are terminable at will without penalty or severance obligation of any kind. Borrower and each of its Subsidiaries is in compliance in all material respects

with all federal, state or other applicable laws respecting employment and employment practices, terms and conditions of employment and wages and hours. Neither Borrower nor any Subsidiary is a party to any collective bargaining agreement.

Section 5.27 Potential Conflicts of Interest. Except as set forth on Schedule 5.27, no officer, director or manager (or equivalent Person) or member, stockholder or other security holder of Borrower or any Subsidiary: (a) is an officer, director, manager, employee or consultant of, any Person that is, or is engaged in business as, a competitor, lessor, lessee, supplier, distributor, sales agent or customer of, or lender to or borrower from, Borrower or any Subsidiary; (b) owns, directly or indirectly, in whole or in part, any tangible or intangible property that Borrower or any Subsidiary uses or contemplates using in the conduct of business; or (c) has any cause of action or other claim whatsoever against, or owes or has advanced any amount to Borrower or any Subsidiary, except for advances in the ordinary course of business such as for accrued vacation pay, accrued benefits under employee benefit plans, and reasonable and customary expense reimbursements existing on the date hereof.

Section 5.28 SEC Reports. Except as disclosed to Bank with respect to any filings required prior to the First Amendment Effective Date which would not reasonably be expected to result in a Material Adverse Effect, Borrower and each of its Subsidiaries has filed all reports, schedules, forms, statements and other documents required to be filed by such Person under the Exchange Act, including pursuant to Section 13(a) or 15(d) thereof, for the two years preceding the date hereof (or such shorter period as Borrower was required by law or regulation to file such material) (the foregoing materials, including the exhibits thereto and documents incorporated by reference therein, being collectively referred to herein as the “**SEC Reports**”) on a timely basis or has received a valid extension of such time of filing and has filed any such SEC Reports prior to the expiration of any such extension. Borrower has never been an issuer subject to Rule 144(i) under the Securities Act. The financial statements of Borrower and its Subsidiaries included in the SEC Reports comply in all material respects with applicable accounting requirements and the rules and regulations of the Commission with respect thereto as in effect at the time of filing.

Section 5.29 Listing and Maintenance Requirements. The common stock of Borrower is registered pursuant to Section 12(b) or 12(g) of the Exchange Act, and Borrower has taken no action designed to, or which to its knowledge is likely to have the effect

of, terminating the registration of the common stock of Borrower under the Exchange Act nor has the Company received any notification that the Commission is contemplating terminating such registration. Borrower has not, in the 12 months preceding the date hereof, received notice from any Trading Market on which the common stock of Borrower is or has been listed or quoted to the effect that Borrower is not in compliance with the listing or maintenance requirements of such Trading Market. Borrower is, and has no reason to believe that it will not in the foreseeable future continue to be, in compliance with all such listing and maintenance requirements. The common stock of Borrower is currently eligible for electronic transfer through the Depository Trust Company or another established clearing corporation and the Company is current in payment of the fees to the Depository Trust Company (or such other established clearing corporation) in connection with such electronic transfer.

Section 5.30 Amended SEC Reports. All filings made by Borrower and its Subsidiaries, as amended (if applicable), comply in all material respects with the requirements of the Exchange Act.”

(j) The reference to “Section 6.5(b) or (c)” set forth in Section 2.8(b)(v) of the Credit Agreement is hereby amended and restated in its entirety to “Section 6.5(d) or (e)”.

(k) The references to “Section 6.5(b)” set forth in Section 5.23 of the Credit Agreement are hereby amended and restated in their entirety to “Section 6.5(d)”.

(l) Section 6.5 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

“*Section 6.5 Financial Reports.* Borrower shall, and shall cause each Subsidiary to, maintain a standard system of accounting in accordance with GAAP and shall furnish to Bank and its duly authorized representatives such information respecting the business and financial condition of Borrower and each Subsidiary as Bank may reasonably request; and without any request, shall furnish to Bank:

(a) if requested by Bank, as soon as available, and in any event no later than three (3) days after the last day of each calendar week of Borrower (other than the calendar week ending on the last day of the fiscal year of Borrower), a copy of a report of the revenue of Borrower and its Subsidiaries attributable to the GPA Learn software platform for such calendar week and the fiscal year-to-date period then ended, each in reasonable detail showing in comparative form the figures for the corresponding date and period

in the previous fiscal year, prepared by Borrower in accordance with GAAP and certified to by its chief financial officer or such other officer acceptable to Bank;

(b) as soon as available, and in any event no later than fifteen (15) days after the last day of each calendar month, a Borrowing Base Certificate showing the computation of the Borrowing Base in reasonable detail as of the close of business on the last day of such month, together with an accounts receivable and accounts payable aging, prepared by Borrower and certified to by its chief financial officer or another officer of Borrower acceptable to Bank;

(c) if requested by Bank, as soon as available, and in any event no later than thirty (30) days after the last day of each calendar month of Borrower (other than the calendar month ending on the last day of the fiscal year of Borrower), a copy of a report of the revenue of Borrower and its Subsidiaries attributable to the GPA Learn software platform for such calendar month and the fiscal year-to-date period then ended, each in reasonable detail showing in comparative form the figures for the corresponding date and period in the previous fiscal year, prepared by Borrower in accordance with GAAP and certified to by its chief financial officer or such other officer acceptable to Bank;

(d) as soon as available, and in any event no later than the earlier of (i) the date Borrower files such documents with the SEC (if Borrower is then a Reporting Company) or (ii) forty-five (45) days after the last day of each fiscal quarter of Borrower, including the fiscal quarter ending on the last day of the fiscal year of Borrower, (i) a copy of the consolidated and consolidating balance sheet of Borrower and its Subsidiaries as of the last day of such period and the consolidated and consolidating statements of income, retained earnings, and cash flows of Borrower and its Subsidiaries for such fiscal quarter and the fiscal year-to-date period then ended, each in reasonable detail showing in comparative form the figures for the corresponding date and period in the previous fiscal year, prepared by Borrower in accordance with GAAP, reviewed pursuant to Statement on Auditing Standards No. 116 (or any successor statement) and certified to by Borrower's chief financial officer or such other officer acceptable to Bank, together with a "Management's Discussion and Analysis of Financial Condition and Results of Operations" covering the periods referred to above and, if Borrower is then a Reporting Company, the disclosures required by Item 307 and 308 of Regulation S-K under the Exchange Act (all of the foregoing financial information to be prepared on a basis consistent with applicable SEC requirements if Borrower then has a class of

securities registered under the Exchange Act) and (ii) following consummation of the GPA Learn Acquisition, a company prepared income statement showing the performance in respect of the assets acquired pursuant to the GPA Learn Acquisition (it being understood and agreed that any negative EBITDA generated in connection with such assets as of the end of any fiscal year of Borrower (any such amount, each a “**GPA Learn Loss**”) shall constitute a GPA Learn Loss hereunder);

(e) as soon as available, and in any event no later than the earlier of (i) the date Borrower files such documents with the SEC for each Fiscal Year (if the Borrower is then a Reporting Company) or (ii) ninety (90) days after the last day of each fiscal year of Borrower, (1) a copy of the consolidated balance sheet of Borrower and its Subsidiaries as of the close of such period and the consolidated statements of income, retained earnings, and cash flows of Borrower and its Subsidiaries for such period, and accompanying notes thereto, each in reasonable detail showing in comparative form the figures for the previous fiscal year, accompanied by an unqualified opinion thereon of LJ Soldingier Associates, LLC or another firm of independent public accountants of recognized national standing, selected by Borrower and satisfactory to Bank, to the effect that the financial statements have been prepared in accordance with GAAP and present fairly in accordance with GAAP the consolidated financial condition of Borrower and its Subsidiaries as of the close of such fiscal year and the results of their operations and cash flows for the fiscal year then ended and that an examination of such accounts in connection with such financial statements has been made in accordance with generally accepted auditing standards and, accordingly, such examination included such tests of the accounting records and such other auditing procedures as were considered necessary in the circumstances, together with a “Management’s Discussion and Analysis of Financial Condition and Results of Operations” covering the periods referred to above and, if Borrower is then a Reporting Company, the disclosures required by Item 307 and 308 of Regulation S-K under the Exchange Act (all of the foregoing financial information to be prepared on a basis consistent with applicable SEC requirements if Borrower then has a class of securities registered under the Exchange Act), and (2) a copy of the company prepared consolidating balance sheet of Borrower and its Subsidiaries as of the close of such period and the consolidating statements of income, retained earnings, and cash flows of Borrower and its Subsidiaries for such period, and accompanying notes thereto, each in reasonable detail showing in comparative form the figures for the previous fiscal year;

(f) with each of the financial statements delivered pursuant to subsections (d) and (e) above, (i) if Borrower is then a Reporting Company, certifications of each of Borrower's chief executive officer and chief financial officer in the form required by 601(b)(31) of Regulation S-K under the Exchange Act and (ii) a written certificate in the form attached hereto as Exhibit C signed by the chief financial officer of Borrower or another officer of Borrower acceptable to Bank to the effect that to the best of such officer's knowledge and belief no Default or Event of Default has occurred during the period covered by such statements or, if any such Default or Event of Default has occurred during such period, setting forth a description of such Default or Event of Default and specifying the action, if any, taken by Borrower or any Subsidiary to remedy the same. Such certificate shall also set forth the calculations supporting such statements in respect of Section 7.12 (Financial Covenants);

(g) with each of the financial statements delivered pursuant to subsection (e) above, the written statement of the accountants who certified the audit report thereby required that in the course of their audit they have obtained no knowledge of any Default or Event of Default, or, if such accountants have obtained knowledge of any such Default or Event of Default, they shall disclose in such statement the nature and period of the existence thereof;

(h) as soon as available, and in any event no later than ninety (90) days after the end of each fiscal year of Borrower, a copy of Borrower's consolidated and consolidating business plan for the following fiscal year, such business plan to show Borrower's projected consolidated and consolidating revenues, expenses and balance sheet on a quarter by quarter/month by month basis, such business plan to be in reasonable detail prepared by Borrower and in form satisfactory to Bank (which shall include a summary of all assumptions made in preparing such business plan);

(i) promptly after receipt thereof, any additional written reports, management letters or other detailed information contained in writing concerning significant aspects of Borrower's or any Subsidiary's operations and financial affairs given to it by its independent public accountants;

(j) promptly after the sending or filing thereof, copies of each financial statement, report, notice or proxy statement sent by Borrower or any Subsidiary to its stockholders or other equity holders, and copies of each regular, periodic or special report, registration statement or prospectus (including all Form 10-K, Form 10-Q and Form 8-K reports) filed by Borrower or any

Subsidiary with any securities exchange or the SEC or any successor agency;

(k) promptly after receipt thereof, a copy of each audit made by any regulatory agency of the books and records of Borrower or any Subsidiary or of notice of any material noncompliance with any applicable law, regulation or guideline relating to Borrower or any Subsidiary, or its business;

(l) promptly after knowledge thereof shall have come to the attention of any responsible officer of Borrower or any Subsidiary, written notice of (i) any threat, notice, development or action of any kind received from, or taken by, Sandton in respect of any claimed Lien of any kind on or with respect to the assets or other Property of Borrower or any Subsidiary, (ii) any investigation by any Governmental Authority or any material development with respect thereto, (iii) any threatened or pending litigation or governmental or arbitration proceeding or labor controversy against Borrower or any Subsidiary or any of their Property or any other event which, if adversely determined, could reasonably be expected to have a Material Adverse Effect or (iv) (x) the occurrence of any Default or Event of Default hereunder and what action Borrower is taking (and proposed to take) with respect thereto and (y) any development or other information outside the ordinary course of business of the Borrower and its Subsidiaries which could reasonably be expected to have a Material Adverse Effect;

(m) promptly upon receipt by Borrower or any Subsidiary, written notice of any default notice given to any such Person in writing by any creditor to which Borrower or any of its Subsidiaries has material debt or other obligations; and

(n) such other information (including non-financial information) as Bank may from time to time reasonably request.

(m) The following sentence is hereby added to the end of Section 6.13 of the Credit Agreement to read as follows:

“Notwithstanding the foregoing, a control agreement shall not be required for deposit accounts for petty cash supporting local operations so long as the amounts on deposit in such deposit accounts do not at any time exceed \$10,000 in the aggregate for all such accounts.”

(n) Section 6.17 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

“Section 6.17 [Reserved].”

(o) A new Section 6.19 is hereby added to the Credit Agreement immediately following Section 6.18 thereof to read as follows:

“Section 6.19 *Reporting*. Borrower will file complete and correct SEC Reports within the time period required by the SEC or any other applicable self-regulatory authority therefor, as applicable.”

(p) Clauses (c) and (e) of Section 7.1 of the Credit Agreement are hereby amended and restated in their entirety to read as follows, respectively:

“(c) [reserved];”

“(e) the Second Lien Debt; *provided*, however, that (i) the indebtedness and the payment of such indebtedness shall at all times be subordinated to the Obligations pursuant to the Second Lien Intercreditor Agreement, (ii) the aggregate outstanding principal amount of the Second Lien Promissory Note shall not at any time exceed \$5,075,000 (plus any paid-in-kind interest added to the principal thereon in accordance with the terms of the Second Lien Intercreditor Agreement) and all other terms and conditions shall be pursuant to the Second Lien Loan Documents, and (iii) the Lien related to the Second Lien Debt shall at all times be subordinated to the Lien related to the Obligations pursuant to the Second Lien Intercreditor Agreement;”

(q) Clause (h) of Section 7.1 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

“(h) the MGL Seller Note; *provided*, however, that (i) such indebtedness shall either (x) upon the prior written consent of Bank, be paid in full (it being understood and agreed that any such prior written consent of Bank shall require at a minimum that (A) no more than \$500,000 of any Revolving Loan be used to consummate any such payment in full and (B) after giving effect to any such payment in full, Borrower shall have Minimum Availability of no less than \$1,000,000) or (y) no later than 60 days following the First Amendment Effective Date and at all times thereafter be subordinated to the Obligations pursuant to a Subordination Agreement, (ii) the aggregate outstanding principal amount of the MGL Seller Note shall not at any time exceed \$1,600,000, and (iii) such indebtedness shall at all times be unsecured;”

(r) Clause (i) of Section 7.1 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

“(i) [reserved];”

(s) The period (“.”) at the end of Section 7.1(j) of the Credit Agreement is hereby replaced with “; and” (a semicolon and the word “and”).

(t) New sub-sections (k), (l), (m), (n) and (o) are hereby added at the end of Section 7.1 of the Credit Agreement immediately following subsection (j) thereof to read as follows:

“(k) effective as of July 1, 2016, the Brainchild Earn-Out; *provided*, however, that (i) the maximum amount payable in respect of such indebtedness shall not exceed \$175,000 and (ii) such indebtedness shall at all times be unsecured;

(l) effective as of July 1, 2016, the Brainchild Put Right; *provided*, however, that (i) the maximum amount payable in respect of such indebtedness shall not exceed \$500,000 and (iii) such indebtedness shall at all times be unsecured;

(m) effective as of July 1, 2016, the DialedIn Earn-Out; *provided*, however, that (i) the maximum amount payable in respect of such indebtedness shall not exceed \$50,000 and (ii) such indebtedness shall at all times be unsecured;

(n) effective as of July 1, 2016, the DialedIn General Sales Commission; *provided*, however, that (i) the maximum amount payable in respect of such indebtedness shall not exceed \$50,000 and (ii) such indebtedness shall at all times be unsecured; and

(o) effective as of July 1, 2016, the DialedIn HP Sales Commission; *provided*, however, that (i) the maximum amount payable in respect of such indebtedness shall not exceed \$50,000 and (ii) such indebtedness shall at all times be unsecured.”

(u) Section 7.6 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

“*Section 7.6 Dividends and Certain Other Restricted Payments.* Borrower shall not, nor shall it permit any Subsidiary to, (a) declare or pay any dividends on or make any other distributions in respect of any class or series of its capital stock or other equity interests or any warrants (including, without limitation, the Warrants and the BIP Warrant), options, or similar instruments to acquire the same (other than dividends or distributions payable solely in its capital stock or other equity interests), (b) directly or indirectly purchase, redeem, or otherwise acquire or retire any of its capital stock or other equity interests or any warrants (including, without limitation, the Warrants and the BIP Warrant),

options, or similar instruments to acquire the same, (c) directly or indirectly pay management, consulting or similar fees to any Affiliate of Borrower or a Subsidiary, or (d) make any payment in respect of the Brainchild Earn-Out, the Brainchild Put Right, the DialedIn Earn-Out, the DialedIn General Sales Commission or the DialedIn HP Sales Commission, as applicable (collectively referred to herein as “*Restricted Payments*”); *provided* that the foregoing shall not operate to prevent the making of dividends or distributions by any Subsidiary to Borrower; *provided further* that,

(i) Borrower may pay to the Brainchild Seller the Brainchild Earn-Out, in accordance with the terms and conditions of Section 1.2.3 of the Brainchild Purchase Agreement in effect on the date hereof, so long as with respect to any proposed payment prior to and after giving effect to such proposed payment, (A) no Default or Event of Default shall have occurred and be continuing or would result therefrom, and (B) Borrower shall be in pro forma compliance with the financial covenants contained in Section 7.12 hereof as of the most recent fiscal quarter for which Borrower has delivered financial statements pursuant to Section 6.5(d) hereof;

(ii) Borrower may pay to the Brainchild Seller the Brainchild Put Right, in accordance with the terms and conditions of Section 1.2.2 of the Brainchild Purchase Agreement in effect on the date hereof, so long as with respect to any proposed payment prior to and after giving effect to such proposed payment, (A) no Default or Event of Default shall have occurred and be continuing or would result therefrom, (B) Borrower shall be in pro forma compliance with the financial covenants contained in Section 7.12 hereof as of the most recent fiscal quarter for which Borrower has delivered financial statements pursuant to Section 6.5(d) hereof and (C) Borrower shall have Minimum Availability of no less than \$1,000,000;

(iii) Borrower may pay to the DialedIn EO Recipients the DialedIn Earn-Out, in accordance with the terms and conditions of Section 2.4 of the DialedIn Merger Agreement as in effect on the date hereof, so long as with respect to any proposed payment prior to and after giving effect to such proposed payment, (A) no Default or Event of Default shall have occurred and be continuing or would result therefrom, and (B) Borrower shall be in pro forma compliance with the financial covenants contained in Section 7.12 hereof as of the most recent fiscal quarter for which Borrower has delivered financial statements pursuant to Section 6.5(d) hereof;

(iv) Borrower may pay to the DialedIn EO Recipients the DialedIn General Sales Commission, in accordance with the terms and conditions of the DialedIn Sales Commission Agreement as in

effect on the date hereof, so long as with respect to any proposed payment prior to and after giving effect to such proposed payment, (A) no Default or Event of Default shall have occurred and be continuing or would result therefrom, and (B) Borrower shall be in pro forma compliance with the financial covenants contained in Section 7.12 hereof as of the most recent fiscal quarter for which Borrower has delivered financial statements pursuant to Section 6.5(d) hereof;

(v) Borrower may pay to the DialedIn EO Recipients the DialedIn HP Sales Commission, in accordance with the terms and conditions of the DialedIn Sales Commission Agreement as in effect on the date hereof, so long as with respect to any proposed payment prior to and after giving effect to such proposed payment, (A) no Default or Event of Default shall have occurred and be continuing or would result therefrom, and (B) Borrower shall be in pro forma compliance with the financial covenants contained in Section 7.12 hereof as of the most recent fiscal quarter for which Borrower has delivered financial statements pursuant to Section 6.5(d) hereof; and

(vi) Borrower may pay to the GPA Learn Seller the GPA Learn Royalties (including, but not limited to, any payments of the GPA Learn Royalties previously prohibited by the terms hereof), in accordance with the terms and conditions of the GPA Learn Royalty Agreement as in effect on the date hereof, so long as with respect to any proposed payment prior to and after giving effect to such proposed payment, (A) no Default or Event of Default shall have occurred and be continuing or would result therefrom, and (B) Borrower shall be in pro forma compliance with the financial covenants contained in Section 7.12 hereof as of the most recent fiscal quarter for which Borrower has delivered financial statements pursuant to Section 6.5(d) hereof.”

(v) Section 7.7 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

“*Section 7.7 Burdensome Contracts With Affiliates.* Borrower shall not, nor shall it permit any Subsidiary to, enter into any contract, agreement or business arrangement with any of its Affiliates (other than as set forth on Schedule 5.14 hereto) on terms and conditions which are less favorable to Borrower or such Subsidiary than would be usual and customary in similar contracts, agreements or business arrangements between Persons not affiliated with each other. Borrower shall provide a copy to Bank of any contract, agreement or business arrangement entered into

between Borrower or any of its Subsidiaries and any Affiliate thereof.”

(w) Section 7.11 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

“*Section 7.11 Constituent Documents, Related Documents and Subordinated Debt.* Borrower shall not, nor shall it permit any Subsidiary to, (a) amend or modify its Constituent Documents in any manner materially adverse to Bank, (b) amend or modify, or waive any rights under, any Related Agreement, other than immaterial amendments, modifications and waivers not adverse to the interests of the Bank, or (c)(i) amend or modify any of the terms or conditions relating to Subordinated Debt (except to the extent permitted pursuant to the applicable Subordination Agreement), (ii) make any voluntary prepayment of Subordinated Debt or effect any voluntary redemption thereof, or (iii) make any payment on account of Subordinated Debt which is prohibited under the terms of any instrument or agreement subordinating the same to the Obligations, including, without limitation, any Subordination Agreement. Notwithstanding the foregoing, Borrower may agree to a decrease in the interest rate applicable to Subordinated Debt or to a deferral of repayment of any of the principal of or interest on the Subordinated Debt beyond the current due dates therefor.”

(x) The following new Sections 7.13, 7.14, 7.15 and 7.16 are hereby added to the Credit Agreement immediately following Section 7.12 thereof to read as follows:

“*Section 7.13 Rate Management Arrangements.* Neither Borrower nor any of its Subsidiaries will enter into Rate Management Agreements or become liable for liabilities arising from Rate Management Agreements except as approved by Bank or as required under Section 6.14 of this Agreement.

Section 7.14 Real Property. Neither Borrower nor any of its Subsidiaries shall acquire any real property except as permitted by Bank. As soon as reasonably practical after any permitted acquisition of real property, Borrower or the applicable Subsidiary acquiring such real property shall deliver a perfected first priority mortgage Lien in favor of Bank (and in form and substance acceptable to Bank) on any after-acquired real property of Borrower or any of its Subsidiaries.

Section 7.15 Use of Bank’s Name. Neither Borrower nor any of its Subsidiaries shall use Bank’s name in connection with any of its business operations other than disclosing the lending arrangement

among the Borrower and its Subsidiaries and the Bank or as otherwise required by applicable law or regulation including, without limitation, as required by reporting requirements under the Exchange Act. Nothing herein contained is intended to permit or authorize Borrower or any of its Subsidiaries to make any contract on behalf of Bank.

Section 7.16 Material Impairment. Neither Borrower nor any of its Subsidiaries shall become or be a party to any contract or agreement which, in the reasonable business judgment of such Person, materially impairs such Person's ability to perform under this Agreement.”

follows: (y) Clause (b) of Section 8.1 of the Credit Agreement is hereby amended and restated in its entirety to read as

“(b) default in the observance or performance of any covenant set forth in Sections 6.1, 6.4, 6.5, 6.6, 6.11, 6.13, 6.14, 6.15, 6.16, 6.18, 6.19 and Section 7 or of any provision in any Loan Document dealing with the use, disposition or remittance of the proceeds of Collateral or requiring the maintenance of insurance thereon;”

follows: (z) Clause (m) of Section 8.1 of the Credit Agreement is hereby amended and restated in its entirety to read as

“(m) any subordination provision in any document or instrument governing Subordinated Debt, or any subordination provision in any subordination agreement that relates to any Subordinated Debt, or any subordination provision in any guaranty by Borrower or any Subsidiary of any Subordinated Debt, shall cease to be in full force and effect or enforceable; or Borrower, any Subsidiary or any other Person (including the holder of any applicable Subordinated Debt) shall contest in any manner the validity, binding nature or enforceability of any such provision or breach any provision in any such subordination agreement;”

(aa) New clauses (n) and (o) are hereby added to Section 8.1 of the Credit Agreement immediately following clause (m) thereof to read as follows:

“(n) any court, government or Governmental Authority shall condemn, seize or otherwise appropriate, or take custody or control of, all or any material portion of the Property of Borrower and/or any one or more of its Subsidiaries; or

(o) any investigation or proceeding before or by any Governmental Authority could reasonably be expected to have a Material Adverse Effect.”

(bb) Section 9.10(a) of the Credit Agreement is hereby amended by adding the following at the end thereof:

“Borrower for itself and all endorsers, guarantors and sureties and their heirs, legal representatives, successors and assigns, hereby further specifically waives any rights that it may have under Section 1542 of the California Civil Code (to the extent applicable), which provides as follows: “A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR,” and further waives any similar rights under applicable laws.”

(cc) Section 9.18 of the Credit Agreement is hereby amended by adding the following at the end thereof:

“IN THE EVENT ANY SUCH ACTION OR PROCEEDING IS BROUGHT OR FILED IN ANY UNITED STATES FEDERAL COURT SITTING IN THE STATE OF CALIFORNIA OR IN ANY STATE COURT OF THE STATE OF CALIFORNIA, AND THE WAIVER OF JURY TRIAL SET FORTH IN SECTION 19.8 HEREOF IS DETERMINED OR HELD TO BE INEFFECTIVE OR UNENFORCEABLE, THE PARTIES HERETO AGREE THAT ALL ACTIONS OR PROCEEDINGS SHALL BE RESOLVED BY REFERENCE TO A PRIVATE JUDGE SITTING WITHOUT A JURY, PURSUANT TO CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 638, BEFORE A MUTUALLY ACCEPTABLE REFEREE OR, IF THE PARTIES HERETO CANNOT AGREE, A REFEREE SELECTED BY THE PRESIDING JUDGE OF SAN FRANCISCO COUNTY, CALIFORNIA. SUCH PROCEEDING SHALL BE CONDUCTED IN SAN FRANCISCO COUNTY, CALIFORNIA, WITH CALIFORNIA RULES OF EVIDENCE AND DISCOVERY APPLICABLE TO SUCH PROCEEDING. IN THE EVENT ANY ACTIONS OR PROCEEDINGS ARE TO BE RESOLVED BY JUDICIAL REFERENCE, ANY PARTY MAY SEEK FROM ANY COURT HAVING JURISDICTION THEREOVER ANY PREJUDGMENT ORDER, WRIT OR OTHER RELIEF AND HAVE SUCH PREJUDGMENT ORDER, WRIT OR OTHER RELIEF ENFORCED TO THE FULLEST EXTENT PERMITTED BY LAW NOTWITHSTANDING THAT ALL ACTIONS OR PROCEEDINGS ARE OTHERWISE SUBJECT TO RESOLUTION BY JUDICIAL REFERENCE.”

(dd) Exhibit C (Compliance Certificate) attached to the Credit Agreement is hereby amended and restated and replaced in its entirety with Exhibit C attached hereto as Exhibit A.

(ee) The Schedules (other than Schedule 6.16) attached to the Credit Agreement are hereby updated with the Schedules attached hereto as Exhibit B.

(ff) Schedule 6.16 attached to the Credit Agreement is hereby amended and restated with Schedule 6.16 attached hereto as Exhibit C (it being understood and agreed that (x) subject to the terms and conditions of this Amendment, any Events of Default that exist as a result of the Borrower failing to comply with any post-closing obligations set forth on Schedule 6.16 of the Credit Agreement as in effect prior to giving effect to the amendment and restatement of Schedule 6.16 are hereby waived by the Bank, (y) the foregoing waiver of such Events of Default is solely limited to the specific events and the specific period(s) referenced above, as applicable, and shall not affect any breach of any of the other provisions of the Credit Agreement or any of the provisions of the Credit Agreement for any other period, as applicable, and shall not be deemed or otherwise construed to constitute a waiver of the subject provisions for any other event, any other period (as applicable) or of any Default or Event of Default arising out of any other failure of any Loan Party to comply with any of the other provisions of the Credit Agreement or Loan Documents, and (z) the Bank has granted the foregoing waiver of the such Events of Default in this particular instance and in light of the facts and circumstances that presently exist, and the grant of such waiver shall not constitute a course of dealing or impair the Bank's right to withhold a waiver of any similar Defaults or Events of Default in the future).

3. Conditions Precedent. The amendments set forth in Section 2 shall be effective upon the satisfaction of all of the following conditions precedent, each to the satisfaction of Bank in its sole discretion:

- (a) receipt by Bank from each party hereto of a counterpart of this Amendment signed on behalf of such party;
- (b) receipt by Bank from each party thereto of a counterpart of the California Acquisition Subordination Agreement;
- (c) receipt by Bank of one or more counterparts of each other agreement, document and instrument set forth on the Closing Document Checklist attached hereto as Annex I, each in form and substance satisfactory to Bank;
- (d) evidence in form and substance acceptable to Bank of the receipt by Borrower of the proceeds of the Second Lien Debt from the Second Lien Lender in an amount no less than \$5,075,000;
- (e) evidence, reasonably satisfactory to Bank, that Borrower has completed, or concurrently with the initial credit extension under Second Lien Loan Documents will complete, the Related Transaction in accordance with the terms of the Related Agreements (without any amendment thereto or waiver thereunder unless consented to by the Bank);

(f) evidence, reasonably satisfactory to Bank, that the aggregate cash portion of the purchase price for the Agama Acquisition and the California Acquisition due at closing shall not be greater than \$4,430,740.76;

(g) copies of all Related Agreements, each duly executed and dated as of the First Amendment Effective Date (or such earlier date as shall be satisfactory to Bank), in form and substance reasonably satisfactory to Bank;

(h) evidence in form and substance acceptable to Bank that no less than \$400,000.00 of principal of the MGL Seller Note will be paid from the proceeds provided by the Second Lien Lender on the First Amendment Effective Date;

(i) evidence reasonably satisfactory to Bank that Borrower has completed the Related Transaction in accordance with the terms of the Related Agreements (without any amendment thereto or waiver thereunder unless consented to by Bank); and

(j) receipt by Bank of such other documents, certificates, opinions and financing statements as Bank shall request.

4. Representations, Covenants and Warranties; No Default. The covenants set forth in the Credit Agreement and the other Loan Documents shall be deemed remade as of the date hereof by each Loan Party. Each Loan Party hereby represents and warrants both before and after giving effect to the Related Transaction that (a) the representations and warranties of each Loan Party set forth in the Credit Agreement and the other Loan Documents are true and correct in all material respects with the same effect as if made on the date hereof (except for those that are qualified by “materiality” or “Material Adverse Effect”, in which case such representations and warranties shall have been true and correct in all respects) except to the extent stated to relate to a specific earlier date, in which case such representations and warranties shall be true and correct in all respects as of such earlier date, (b) no Default or Event of Default has occurred and is continuing as of the date of this Amendment and no Default or Event of Default will result from the transactions contemplated hereby, (c) the Recitals hereto are true and correct, and (d) the execution, delivery and performance by Borrower of this Amendment and each related Loan Document to which it is a party, and the consummation of the transactions described herein and the transactions related hereto, do not and will not (i) require any consent or approval of any governmental agency or authority (other than any consent or approval which has been obtained and is in full force and effect), (ii) conflict with (x) any provision of law, (y) the charter, by-laws or other organizational documents of each Loan Party or (z) any agreement, indenture, instrument or other document, or any judgment, order or decree, which is binding upon each Loan Party or any of their respective properties, or (iii) require, or result in, the creation or imposition of any Lien on any asset of each Loan Party (other than Liens in favor of Bank created pursuant to the Collateral Documents).

5. Updated Schedules. Each Loan Party hereby represents and warrants to Bank that (a) the information set forth on the updated Schedules to the Credit Agreement attached hereto as Exhibit B is true and correct as of the date of this Amendment (notwithstanding that any related representation and warranty only requires that such information be true and correct as of an earlier date), and (b) the information set forth on the updated Schedules to each of the Security

Agreements attached thereto respectively is true and correct as of the date of this Amendment (notwithstanding that any related representation and warranty only requires that such information be true and correct as of an earlier date).

6. Ratification; Claims. Except as expressly amended hereby, the Credit Agreement and the other Loan Documents are hereby ratified and confirmed by the parties hereto and remain in full force and effect in accordance with the terms thereof. Without limiting the generality of the foregoing, each Loan Party hereby acknowledges and agrees that the Security Agreement remains in full force and effect, and each Loan Party hereby acknowledges, reaffirms, confirms and ratifies all of its obligations under the Security Agreement. Each Loan Party hereby acknowledges, confirms, reaffirms and ratifies its grant to Bank of a continuing security interest in all of its right, title and interest in all currently existing and hereafter acquired or arising Collateral. Each Loan Party hereby represents and warrants that as of the date hereof, there are no defenses, setoffs, claims or counterclaims which could be asserted against Bank arising from or in connection with the Credit Agreement or any other Loan Document.

7. No Waiver or Novation. The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided in Section 3 of this Amendment, operate as a waiver of any right, power or remedy of Bank or Lenders, nor constitute a waiver of any provision of the Credit Agreement or the Loan Documents. Except as expressly provided in Section 3 herein, nothing herein is intended or shall be construed as a waiver of any existing Defaults or Events of Default under the Credit Agreement or other Loan Documents. This Amendment (together with any other document executed in connection herewith) is not intended to be, nor shall it be construed as, a novation of the Credit Agreement or any of the Loan Documents.

8. Fees and Expenses. The Loan Parties jointly and severally agree to pay on demand all costs and expenses of or incurred by Bank in connection with the evaluation, negotiation, preparation, execution and delivery of this Amendment and the other instruments and documents executed and/or delivered in connection with the transactions described herein, including, but not limited to, the fees and expenses of counsel for Bank.

9. Release. Each Loan Party, on behalf of itself and its predecessors, advisors, agents, Affiliates, directors, employees, officers, parents, representatives and subsidiaries, together with its successors and assigns (collectively, the "Releasers") and individually each a "Releasor"), knowingly, voluntarily, and intentionally releases and forever discharges Bank, its respective predecessors, advisors, agents, Affiliates, directors, employees, officers, parents, representatives and subsidiaries, together with its successors and assigns (collectively, the "Released Parties" and individually each a "Released Party") from all possible claims, counterclaims, demands, actions, causes of action, damages, costs, expenses and liability whatsoever, known or unknown, anticipated or unanticipated, suspected or unsuspected, at law or in equity, originating in whole or in part on or before the date hereof, which any Releasor may now or hereafter have against any Released Party, if any (collectively, the "Released Claims"), and irrespective of whether any such Released Claims arise out of contract, tort, equity, violation of law or regulations, or otherwise.

10. Reference to the Effect on the Credit Agreement; Loan Document. Upon the effectiveness of this Amendment, (a) each reference in the Credit Agreement to “this Agreement,” “hereunder,” “hereof,” “herein” or words of similar import shall mean and be a reference to the Credit Agreement as amended by this Amendment, and (b) each reference in the other Loan Documents to the Credit Agreement shall mean and be a reference to the Credit Agreement as amended by this Amendment.

11. GOVERNING LAW. THIS AMENDMENT, AND ANY CLAIM, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT, TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS AMENDMENT, AND THE RIGHTS AND DUTIES OF THE PARTIES HERETO, SHALL BE CONSTRUED AND DETERMINED IN ACCORDANCE WITH AND GOVERNED BY THE INTERNAL LAWS OF THE STATE OF ILLINOIS.

12. Headings. Section headings in this Amendment are included for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

13. Counterparts. This Amendment may be executed in two or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Delivery of an executed counterpart of this Amendment by facsimile or by “.PDF” shall be equally as effective as delivery of an original executed counterpart of this Amendment.

14. Loan Document. This Amendment shall constitute a “Loan Document” for purposes of the Credit Agreement and all other Loan Documents.

[SIGNATURE PAGES FOLLOW]

(Signature Page to First Amendment to Credit Agreement)

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment as of the date first above written.

BORROWER:

QUADRANT 4 SYSTEM CORPORATION, an Illinois corporation

By: /s/ Nandu Thondavadi

Dr. Nandu Thondavadi

President & Chief Executive Officer

(Signature Page to First Amendment to Credit Agreement)

GUARANTOR:

STRATITUDE, INC., a California corporation

By: /s/ Nandu Thondavadi

Dr. Nandu Thondavadi

President & Chief Executive Officer

(Signature Page to First Amendment to Credit Agreement)

BANK:

BMO HARRIS BANK N.A.

By: /s/ Joseph G. Dillon

Joseph G. Dillon

Managing Director

EXHIBIT A

Compliance Certificate

Exhibit C

Quadrant 4 System Corporation

Compliance Certificate

TO: BMO HARRIS BANK N.A.

This Compliance Certificate is furnished to BMO Harris Bank N.A. ("*Bank*") pursuant to that certain Credit Agreement dated as of July 1, 2016, between Quadrant 4 System Corporation and Bank (the "*Credit Agreement*"). Unless otherwise defined herein, the terms used in this Compliance Certificate have the meanings ascribed thereto in the Credit Agreement.

THE UNDERSIGNED HEREBY CERTIFIES, THAT:

1. I am the duly elected _____ of Borrower;
2. I have reviewed the terms of the Credit Agreement and I have made, or have caused to be made under my supervision, a detailed review of the transactions and conditions of Borrower and its Subsidiaries during the accounting period covered by the attached financial statements;
3. The examinations described in paragraph 2 did not disclose, and I have no knowledge of, the existence of any condition or the occurrence of any event which constitutes a Default or Event of Default during or at the end of the accounting period covered by the attached financial statements or as of the date of this Certificate, except as set forth below;
4. The financial statements required by Section 6.5 of the Credit Agreement and being furnished to you concurrently with this certificate are, to the best of my knowledge, true, correct and complete as of the dates and for the periods covered thereby; and
5. The Attachment hereto sets forth financial data and computations evidencing Borrower's compliance with certain covenants of the Credit Agreement, all of which data and computations are, to the best of my knowledge, true, complete and correct and have been made in accordance with the relevant Sections of the Credit Agreement.

Described below are the exceptions, if any, to paragraph 3 by listing, in detail, the nature of the condition or event, the period during which it has existed and the action which Borrower has taken, is taking, or proposes to take with respect to each such condition or event:

The foregoing certifications, together with the computations set forth in the Attachment hereto and the financial statements delivered with this Certificate in support hereof, are made and delivered this _____ day of _____, ____.

QUADRANT 4 SYSTEM CORPORATION

By _____
Name _____
Title _____

**Schedule I
to Compliance Certificate**

Quadrant 4 System Corporation

**Compliance Calculations
for Credit Agreement dated as of _____**

Calculations as of _____, _____

A. Total Funded Debt/EBITDA Ratio (Section 7.12(a))

- | | | |
|-----|---|-----------|
| 1. | Total Funded Debt | \$ _____ |
| 2. | Net Income for past 4 quarters | _____ |
| 3. | Interest Expense for past 4 quarters | _____ |
| 4. | Income taxes for past 4 quarters | _____ |
| 5. | Depreciation and Amortization Expense for past 4 quarters | _____ |
| 6. | Add-Backs Specified in the definition of EBITDA | _____ |
| 7. | Sum of Lines A2, A3, A4, A5 and A6 (" <i>EBITDA</i> ") | _____ |
| 8. | Ratio of Line A1 to A7 | _____:1.0 |
| 9. | Line A8 ratio must not exceed | _____:1.0 |
| 10. | Borrower is in compliance (circle yes or no) | yes/no |

B. Fixed Charge Coverage Ratio (Section 7.12(b))

- | | | |
|-----|--|-----------|
| 1. | Sum of lines A2, A3, A4, A5, and A6 (" <i>EBITDA</i> ") | \$ _____ |
| 2. | Unfinanced Capital Expenditures for past 4 quarters | \$ _____ |
| 3. | Unfinanced Software Development Costs for past 4 quarters | \$ _____ |
| 4. | Lines B1 minus the sum of B2 and B3 (" <i>EBITDA</i> ") | \$ _____ |
| 5. | Principal payments due within next 4 quarters, including anticipated Earn Out Obligations that could become due within the next 4 quarters | \$ _____ |
| 6. | Interest Expense for past 4 quarters (or as annualized) | \$ _____ |
| 7. | Income taxes for past 4 quarters | \$ _____ |
| 8. | Distributions for past 4 quarters | \$ _____ |
| 9. | Sum of Lines B5, B6, B7 and B8 | \$ _____ |
| 10. | Ratio of Line B4 to Line B9 | _____:1.0 |
-

- | | | |
|-----|--|------------|
| 11. | Line B10 ratio must not be less than | _____ :1.0 |
| 12. | Borrower is in compliance (circle yes or no) | yes/no |
| C. | <u>Software Development Costs (Section 7.12(c))</u> | |
| 1. | Software Development Costs to date for the applicable twelve (12) month period | \$ _____ |
| 2. | Maximum permitted amount | \$ _____ |
| 3. | Borrower is in compliance (circle yes or no) | yes/no |
| D. | <u>Operating Leases (Section 7.12(d))</u> | |
| 1. | Year-to-date Operating Leases | \$ _____ |
| 2. | Maximum permitted amount | \$ _____ |
| 3. | Borrower is in compliance (circle yes or no) | yes/no |

EXHIBIT B

Updated Schedules

(See attached.)

EXHIBIT C

Schedule 6.16

(See attached.)

ANNEX I

Closing Document Checklist

(See attached.)