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): June 8, 2017

Pandora Media, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**001-35198**	**94-3352630**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

2101 Webster Street, Suite 1650
Oakland, CA 94612
(Address of principal executive offices, including zip code)

(510) 451-4100
(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))

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 or Rule 12b-2 of the Securities Exchange Act of 1934.

Emerging growth company ☐

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

Item 1.01 Entry into a Material Definitive Agreement.

Amendment and Termination of KKR Investment Agreement

On June 8, 2017, Pandora Media, Inc. a Delaware corporation (the "Company" or "Pandora") and KKR Classic Investors L.P. (formerly known as KKR Classic Investors LLC) ("KKR") entered into an amendment (the "Amendment") to the Investment Agreement dated as of May 8, 2017 (the "KKR Investment Agreement") by and between the Company and KKR. Among other things, the Amendment provided the Company with the option to terminate the KKR Investment Agreement in the event the Company determined that it would accept a minority investment from a strategic party. In order to terminate the KKR Investment Agreement thereunder, the Amendment required that the Company provide written notice of its intent to terminate to KKR by 8:00 a.m. Eastern Daylight Time on June 9, 2017 (the "KKR Termination Notice") and pay KKR (or its designees) a $22.5 million termination fee (the "KKR Termination Fee").

On June 9, 2017, the Company delivered the KKR Termination Notice in accordance with the Amendment and paid the KKR Termination Fee. Accordingly, the KKR Investment Agreement was terminated.

Initial Closing of Sirius Transaction

Concurrently with delivering the KKR Termination Notice, the Company entered into an Investment Agreement dated as of June 9, 2017 (the "Sirius Investment Agreement") by and between the Company and Sirius XM Radio Inc. ("Sirius") relating to the issuance and sale to Sirius of 480,000 shares of the Company's Series A Convertible Preferred Stock, par value $0.0001 per share (the "Series A Preferred Stock"), for an aggregate purchase price of $480 million, or $1,000 per share. The Sirius Investment Agreement provided that (i) 172,500 shares of Series A Preferred Stock would be issued and sold to Sirius on June 9, 2017 (the "Initial Closing") and (ii) the remaining 307,500 shares would be issued and sold to Sirius at a future date (the "Additional Closing"), subject to and following the satisfaction of certain customary closing conditions, including, among others, obtaining clearance under the Hart-Scott-Rodino Antitrust Improvements Act, as amended, and the rules and regulations promulgated thereunder (the "HSR Act").

In accordance with the Sirius Investment Agreement, the Initial Closing was consummated on June 9, 2017, whereby Sirius paid to the Company $172.5 million in exchange for 172,500 shares of Series A Preferred Stock.

Certificate of Designation

On June 9, 2017, the Company filed with the Secretary of State of the State of Delaware a Certificate of Designation of Preferences, Rights and Limitations of Series A Convertible Preferred Stock (the "Certificate of Designation"). The Certificate of Designation became effective upon filing.

As described further in the Certificate of Designation, the Series A Preferred Stock ranks senior to the shares of the Company's common stock, par value $0.0001 per share (the "Common Stock"), with respect to dividend rights, redemption rights and rights on the distribution of assets on any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company. The Series A Preferred Stock has a liquidation preference of $1,000 per share. Holders of Series A Preferred Stock are entitled to a cumulative dividend at the rate of 6.0% per annum, payable quarterly in arrears, as set forth in the Certificate of Designation.

Beginning on the date of the Additional Closing (or if the Sirius Investment Agreement is terminated prior to the Additional Closing, the date of such termination), the Series A Preferred Stock is convertible at the option of the holders at any time into shares of Common Stock at an initial conversion price of $10.50 per share of Common Stock and an initial conversion rate of 95.2381 shares of Common Stock per share of Series A Preferred Stock, subject to certain customary anti-dilution adjustments. Any conversion of Series A Preferred Stock may be settled by the Company, at its option, in shares of Common Stock, cash or any combination thereof. However, unless and until the Company's shareholders have approved the issuance of greater than 19.99% of the outstanding Common Stock, as required by the New York Stock Exchange's listing requirements ("Shareholder Approval"), the Series A Preferred Stock may not be converted into more than 19.99% of the Company's outstanding Common Stock as of the date of the Initial Closing. In addition, the holders of the Series A Preferred Stock may not convert if such conversion would require approval (or the expiration or early termination of any applicable waiting period) under the HSR Act and such approval (or expiration or early termination) has not occurred.

At any time the Series A Preferred Stock would be, but for the 19.99% cap, convertible into a number of shares of Common Stock exceeding 19.99% of the Common Stock outstanding on the date of the Initial Closing, the holders of a majority of the outstanding Series A Preferred Stock may require the Company to hold a meeting of the Company's shareholders for the purpose of obtaining Shareholder Approval. The Company must hold the shareholder meeting within 120

days following written request by such holders and must use commercially reasonable efforts to obtain Shareholder Approval. If Shareholder Approval is not obtained at such meeting, the holders of a majority of the outstanding Series A Preferred Stock have the right to require the Company to use its commercially reasonable efforts to obtain Shareholder Approval at any subsequent annual meeting of the Company until Shareholder Approval is obtained.

Beginning on the date of the Additional Closing, holders of Series A Preferred Stock are entitled to vote as a single class with the holders of Common Stock on an as-converted basis (up to a maximum of 19.99% of the Common Stock outstanding on the date of the Initial Closing, unless Shareholder Approval has been received). If the Sirius Investment Agreement is terminated prior to the Additional Closing, the holders of Series A Preferred Stock will be entitled to exercise such voting rights only following the receipt of approvals required by the HSR Act (or expiration or early termination of any applicable waiting period thereunder) or if such holders are otherwise permitted under the HSR Act to exercise such voting rights.

Effective as of the Initial Closing, holders of Series A Preferred Stock are entitled to a separate class vote with respect to amendments to the Company's organizational documents that have an adverse effect on the Series A Preferred Stock, issuances by the Company of securities that are senior to, or equal in priority with, the Series A Preferred Stock and the incurrence of indebtedness for borrowed money in excess of $500 million and, beginning in any year in which the Company generates positive Consolidated EBITDA (as defined in the Certificate of Designation), three times trailing four quarter Consolidated EBITDA.

Upon certain change of control events involving the Company, the Company is required to repurchase all of the Series A Preferred Stock at a price equal to the greater of (1) an amount in cash equal to 100% of the liquidation preference thereof plus all accrued but unpaid dividends through the fifth anniversary of the Initial Closing (assuming such shares of Series A Preferred Stock remain outstanding through such date) and (2) the consideration the holders would have received if they had converted their shares of Series A Preferred Stock into Common Stock immediately prior to the change of control event (disregarding the 19.99% cap).

On any date after the fifth anniversary of the Additional Closing (or, if the Additional Closing does not occur, the fifth anniversary of the Initial Closing), the holders of Series A Preferred Stock have the right to require the Company to redeem all or any portion of the Series A Preferred Stock at 100% of the liquidation preference thereof plus all accrued but unpaid dividends for, at the election of the Company, cash, shares of Common Stock or a combination thereof, provided that the Company may not settle the redemption for shares of Common Stock to the extent the 19.99% cap would be exceeded. If the Additional Closing has not occurred, however, cash redemption is required.

Beginning (i) after the third anniversary of the date of the Additional Closing (or, if the Additional Closing does not occur, the third anniversary of the Initial Closing) or (ii) after the Sirius Investment Agreement is terminated prior to the Additional Closing, if the volume weighted average price per share of Common Stock exceeds $18.375, as may be adjusted pursuant to the Certificate of Designation, for at least 20 trading days in any period of 30 consecutive trading days, all of the outstanding Series A Preferred Stock may be redeemed at 100% of the liquidation preference thereof plus all accrued but unpaid dividends for, at the election of the Company, cash, shares of Common Stock or a combination thereof, provided that the Company may not settle the redemption for shares of Common Stock to the extent the 19.99% cap would be exceeded. However, if the Company elects to redeem the Series A Preferred Stock pursuant to item (ii) above, the Company must receive the written consent of the holders of a majority of the outstanding Series A Preferred Stock and must redeem the Series A Preferred Stock in cash.

Sirius Investment Agreement

Pursuant to the Sirius Investment Agreement, the Company has agreed to elect three individuals to be designated by Sirius to the Company's board of directors (the "Board") from and after the Additional Closing, unless Sirius and its affiliates fail to beneficially own shares of Series A Preferred Stock and/or Common Stock that were issued upon conversion of Series A Preferred Stock equal to (on an as-converted basis) at least 50% of the number of shares of Common Stock issuable upon conversion of the Series A Preferred Stock purchased by Sirius under the Sirius Investment Agreement at the Initial Closing and, following the Additional Closing, the Additional Closing (the "Fall-Away of Sirius' Board Rights"). Following the earlier to occur of (i) the second anniversary of the Additional Closing and (ii) the date on which Sirius and its affiliates fail to beneficially own shares of Series A Preferred Stock and/or Common Stock that were issued upon conversion of Series A Preferred Stock equal to (on an as-converted basis) at least 75% of the number of shares of Common Stock issuable upon conversion of the Series A Preferred Stock purchased by Sirius under the Sirius Investment Agreement at the Initial Closing and, following the Additional Closing, the Additional Closing (the "75% Beneficial Ownership Test"), Sirius shall have the right to designate only two directors.

Until the Fall-Away of Sirius' Board Rights, the Company has agreed under the Sirius Investment Agreement to include the Sirius designees in the Company's slate of director nominees at the Company's annual meetings, to be elected by the holders of the Series A Preferred Stock voting as a separate class.

Sirius is subject to certain standstill restrictions, including, among other things, that Sirius will be restricted from acquiring additional securities of the Company for eighteen months after the Initial Closing Date. Sirius also may not make, encourage or participate in the solicitation of proxies to vote the Company's securities until the later of (i) the second anniversary of the Additional Closing or (ii) the date on which all of Sirius' designees have resigned from and are no longer serving on the Board. Finally, Sirius may not take certain actions with respect to any merger, consolidation, business combination or similar transactions involving the Company, other than confidential proposals to the Board of Directors that are not reasonably expected to require public disclosure by the Company, until the second anniversary of the Additional Closing (or the second anniversary of the Initial Closing, if the Sirius Investment Agreement is terminated prior to the Additional Closing).

The Sirius Investment Agreement may be terminated by either party if the Additional Closing has not occurred by February 1, 2018 (the "Termination Date"). However, if all applicable closing conditions have been satisfied as of such date other than with respect to the expiration or early termination of the applicable waiting period under the HSR Act, the Termination Date will be extended for an additional 60 days.

Registration Rights Agreement

On June 9, 2017, the Company and Sirius entered into a Registration Rights Agreement (the "Registration Rights Agreement"), pursuant to which the Company has agreed to provide the purchasers party thereto with certain customary registration rights with respect to the Series A Preferred Stock and any Common Stock issued upon conversion of the Series A Preferred Stock. The Registration Rights Agreement contains customary terms and conditions, including certain customary indemnification obligations.

The foregoing descriptions of the Amendment, the KKR Termination Notice, the Sirius Investment Agreement, the Certificate of Designation and the Registration Rights Agreement do not purport to be complete and are subject to, and are qualified in their entirety by, the full text of the Amendment, the KKR Termination Notice, the Sirius Investment Agreement, the Certificate of Designation and the Registration Rights Agreement, as applicable, which are attached hereto as Exhibits 10.1, 10.2, 10.3, 3.1, and 10.4, respectively, and are incorporated herein by reference.

Ticketfly Purchase Agreement

On June 9, 2017, the Company entered into a Membership Interest Purchase Agreement (the "Purchase Agreement") by and among Eventbrite, Inc., a Delaware corporation ("Eventbrite") and Ticketfly, LLC, a Delaware limited liability company and wholly owned subsidiary of the Company ("Ticketfly") pursuant to which the Company agreed to sell, and Eventbrite agreed to buy, 100% of the issued and outstanding membership interest of Ticketfly from the Company (the "Interests"). The purchase price for the Interests is $200 million, which consists of $150 million in cash and $50 million in the form of a convertible subordinated promissory note (the "Note") which are payable and issuable at the Closing. The purchase price is subject to customary adjustments for working capital. The Note will be due five years from its issuance date (the "Maturity Date") and will accrue interest at a rate of 6.5% per annum, payable quarterly in cash or stock for the first year, and in cash thereafter. Prior to the Maturity Date, the Note is convertible at the Company's option into shares of Eventbrite's common stock.

The Purchase Agreement includes customary representations and warranties of the parties and covenants, including without limitation covenants with respect to actions taken prior to the closing, cooperation with respect to regulatory issues, and access to information. The Purchase Agreement provides for customary and certain special indemnities and is also subject to customary closing conditions, including the expiration or termination of the applicable waiting period under the HSR Act. The Purchase Agreement contains certain termination rights for the parties, including if the closing of the transactions contemplated thereby does not occur by September 9, 2017 or, under certain conditions, if there has been a breach of certain representations and warranties or a failure to perform any covenant by the other party. Closing is anticipated to occur in the third quarter of 2017.

The foregoing description of the Purchase Agreement does not purport to be complete and is subject to, and is qualified in its entirety by, the full text of the Purchase Agreement, which is attached hereto as Exhibit 10.5 and is incorporated herein by reference.

Item 1.02 Termination of a Material Definitive Agreement.

The information contained in Item 1.01 with respect to the Company's termination of the KKR Investment Agreement is incorporated herein by reference.

Item 3.02 Unregistered Sales of Equity Securities.

The information contained in Item 1.01 is incorporated herein by reference.

As described in Item 1.01, on June 9, 2017, the Company issued and sold to Sirius 172,500 shares of Series A Preferred Stock for an aggregate purchase price of $172.5 million, or $1,000 per share, pursuant to the Sirius Investment Agreement. This issuance and sale is exempt from registration under the Securities Act of 1933, as amended (the "Securities Act"), pursuant to Section 4(a)(2) thereof. Sirius represented to the Company that it is an "accredited investor" as defined in Rule 501 of the Securities Act and that the Series A Preferred Stock is being acquired for investment purposes and not with a view to, or for sale in connection with, any distribution thereof.

Item 3.03 Material Modification to Rights of Security Holders.

The information contained in Item 1.01 is incorporated herein by reference.

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

The information contained in Item 1.01 with respect to the Certificate of Designation is incorporated herein by reference.

Item 8.01 Other Events.

A copy of the Company's press releases announcing the Sirius Investment Agreement and the Purchase Agreement, each dated June 9, 2017, are attached as Exhibits 99.1, 99.2 and 99.3 hereto and are each incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Exhibit Description
3.1	Certificate of Designation of Preferences, Rights and Limitations of Series A Convertible Preferred Stock
10.1	First Amendment to Investment Agreement, dated as of June 8, 2017, by and between Pandora Media, Inc. and KKR Classic Investors L.P.
10.2	Notice of Termination, dated as of June 9, 2017
10.3	Investment Agreement, dated as of June 9, 2017, by and between Pandora Media, Inc. and Sirius XM Radio Inc.
10.4	Registration Rights Agreement, dated as of June 9, 2017, by and between Pandora Media, Inc. and Sirius XM Radio Inc.
10.5	Membership Interest Purchase Agreement, dated as of June 9, 2017 by and among Eventbrite, Inc., Pandora Media, Inc., and Ticketfly, LLC
99.1	Press Release “SiriusXM to Make $480 Million Strategic Investment in Pandora,” dated as of June 9, 2017
99.2	Press Release “Eventbrite Enters into Agreement with Pandora to Acquire Ticketfly,” dated as of June 9, 2017
99.3	Press Release “Pandora Strengthens Balance Sheet and Sharpens Focus on Core Priorities,” dated as of June 9, 2017

Forward-Looking Statements

This communication contains forward-looking statements. Forward-looking statements use words such as “expect,” “anticipate,” “outlook,” “intend,” “believe,” “will,” “should,” “would,” “could” and words of similar meaning. Statements regarding the investment by Sirius and statements that do not relate to historical or current fact, are examples of forward-looking statements. These forward-looking statements are based on Pandora's current assumptions, expectations and beliefs and involve substantial risks and uncertainties that may cause results, performance or achievement to materially differ from those expressed or implied by these forward-looking statements. Forward-looking statements are not guarantees of future performance, and there are a number of important factors that could cause actual outcomes and results to differ materially from the results contemplated by such forward-looking statements, including factors relating to the successful closing of the investment by Sirius and achievement of its potential benefits Further information on risks and uncertainties affecting Pandora’s business are described in Pandora’s filings with the Securities and Exchange Commission (the “SEC”), including under the headings “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in Pandora’s annual report on Form 10-K for the year ended December 31, 2016 filed with the SEC on April 27, 2017 and in any of Pandora’s subsequently filed Form 10-Qs. Any forward-looking statement speaks only as of the date on which it is made. Pandora does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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.

PANDORA MEDIA, INC.

Dated: June 14, 2017

By: /s/ Stephen Bené

Stephen Bené
General Counsel and Corporate Secretary

EXHIBIT INDEX

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Execution Version

PANDORA MEDIA, INC.

**CERTIFICATE OF DESIGNATION OF PREFERENCES,
RIGHTS AND LIMITATIONS
OF
SERIES A CONVERTIBLE PREFERRED STOCK**

PURSUANT TO SECTION 151 OF THE
DELAWARE GENERAL CORPORATION LAW

The undersigned, Steve Bené, does hereby certify that:

1. He is the General Counsel and Corporate Secretary of Pandora Media, Inc., a Delaware corporation (the "Company").

2. The Company is authorized to issue 10,000,000 shares of preferred stock, none of which have been issued.

3. The following resolutions were duly adopted by the board of directors of the Company (the "Board"):

WHEREAS, the certificate of incorporation of the Company (the "Charter") provides for a class of its authorized stock known as Preferred Stock, consisting of 10,000,000 shares, $0.0001 par value per share ("Preferred Stock"), issuable from time to time in one or more series;

WHEREAS, the Board is authorized, without further stockholder approval, to establish from time to time the number of shares to be included in each such series, and to fix the designation, powers, preferences, and rights of the shares of each such series and any qualifications, limitations or restrictions thereof; and

WHEREAS, it is the desire of the Board, pursuant to its authority as aforesaid, to fix the rights, preferences, restrictions and other matters relating to a series of the Preferred Stock, which shall consist of 480,000 shares of the Preferred Stock that the Company has the authority to issue as Series A Convertible Preferred Stock, as follows:

NOW, THEREFORE, BE IT RESOLVED, that the Board does hereby provide for the issuance of a series of Preferred Stock for cash or exchange of other securities, rights or property and does hereby fix and determine the rights, preferences, restrictions and other matters relating to such series of Preferred Stock as follows:

SECTION 1. Classification and Number of Shares. The shares of such series of Preferred Stock shall be classified as "Series A Convertible Preferred Stock" (the "Series A Preferred Stock"). The number of authorized shares constituting the Series A Preferred Stock shall be 480,000. That number from time to time may be increased or decreased (but not below the number of shares of Series A Preferred Stock then outstanding) by (a) further resolution duly adopted by the Board, or any duly authorized committee thereof, and (b) the filing of an amendment to this Certificate of Designations

pursuant to the provisions of the DGCL stating that such increase or decrease, as applicable, has been so authorized. The Company shall not have the authority to issue fractional shares of Series A Preferred Stock.

SECTION 2. Ranking. The Series A Preferred Stock will rank, with respect to dividend rights, redemption rights and rights on the distribution of assets on any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company:

(a) on a parity basis with each other class or series of Capital Stock of the Company now existing or hereafter authorized, classified or reclassified, the terms of which expressly provide that such class or series ranks on a parity basis with the Series A Preferred Stock as to dividend rights, redemption rights and rights on the distribution of assets on any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company (such Capital Stock, "Parity Stock");

(b) junior to each other class or series of Capital Stock of the Company now existing or hereafter authorized, classified or reclassified, the terms of which expressly provide that such class or series ranks senior to the Series A Preferred Stock as to dividend rights, redemption rights and rights on the distribution of assets on any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company (such Capital Stock, "Senior Stock"); and

(c) senior to the Common Stock and each other class or series of Capital Stock of the Company now existing or hereafter authorized, classified or reclassified, the terms of which do not expressly provide that such class or series ranks on a parity basis with or senior to the Series A Preferred Stock as to dividend rights, redemption rights and rights on the distribution of assets on any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company (such Capital Stock, "Junior Stock").

SECTION 3. Definitions. As used herein with respect to Series A Preferred Stock:

"19.99% Threshold" has the meaning set forth in Section 6(a).

"50% Beneficial Ownership Test" means that the Purchaser and its Permitted Transferees continue to beneficially own at all times shares of Series A Preferred Stock and/or shares of Common Stock that were issued upon conversion of shares of Series A Preferred Stock that represent in the aggregate and on an as converted basis, at least 50% of the number of shares of Common Stock issuable upon conversion of the Series A Preferred Stock purchased by the Purchaser under the Investment Agreement at the Initial Closing and, following the Additional Closing, purchased by the Purchaser under the Investment Agreement at the Additional Closing.

"75% Beneficial Ownership Test" means that the Purchaser and its Permitted Transferees continue to beneficially own at all times shares of Series A Preferred Stock and/or shares of Common Stock that were issued upon conversion of shares of Series A Preferred Stock that represent in the aggregate and on an as converted basis, at least 75% of the number of shares of Common Stock issuable upon conversion of the Series A Preferred Stock purchased by the Purchaser

under the Investment Agreement at the Initial Closing and, following the Additional Closing, purchased by the Purchaser under the Investment Agreement at the Additional Closing.

"Accrued Amount" means the sum of the Liquidation Preference and the Accrued Dividends with respect to a share of Series A Preferred Stock as of the applicable Conversion Date or other applicable date of determination hereunder.

"Accrued Dividend Record Date" has the meaning set forth in Section 4(d).

"Accrued Dividends" means, as of any date, with respect to any share of Series A Preferred Stock, all Dividends that have accrued on such share pursuant to Section 4(b), whether or not declared, but that have not, as of such date, been paid in cash.

"Additional Closing" has the meaning set forth in the Investment Agreement.

"Additional Issuance Date" mean the date of the Additional Closing under the Investment Agreement.

"Adjusted Conversion Rate" means, for each share of Series A Preferred Stock, the sum of (i) the Conversion Rate plus (ii) the quotient obtained by dividing the Accrued Dividends with respect to such share of Series A Preferred Stock by the Conversion Price.

"Affiliate" means, as to any Person, any other Person that, directly or indirectly, controls, or is controlled by, or is under common control with, such Person; provided, however, that (i) the Company and its Subsidiaries shall not be deemed to be Affiliates of the Purchaser or any of its Affiliates and (ii) none of the Specified Persons will be treated as an Affiliate of Purchaser or any of its Subsidiaries or any of their respective Affiliates for any purpose hereunder. For this purpose, "control" (including, with its correlative meanings, "controlled by" and "under common control with") shall mean the possession, directly or indirectly, of the power to direct or cause the direction of management or policies of a Person, whether through the ownership of securities or partnership or other ownership interests, by contract or otherwise.

"as converted basis" means (i) with respect to the outstanding shares of Common Stock as of any date, all outstanding shares of Common Stock calculated on a basis in which all shares of Common Stock issuable upon conversion of the outstanding shares of Series A Preferred Stock (at the Conversion Rate in effect on such date) are assumed to be outstanding as of such date and (ii) with respect to any outstanding shares of Series A Preferred Stock as of any date, the number of shares of Common Stock issuable upon conversion of such shares of Series A Preferred Stock on such date (at the Conversion Rate in effect on such date).

"Base Amount" means, with respect to any share of Series A Preferred Stock, as of any date of determination, the sum of (a) the Liquidation Preference and (b) the Base Amount Accrued Dividends with respect to such share as of such date.

"Base Amount Accrued Dividends" means, with respect to any share of Series A Preferred Stock, as of any date of determination, (a) if a Dividend Payment Date has occurred since

the issuance of such share, the Accrued Dividends with respect to such share as of the Dividend Payment Date immediately preceding such date of determination (taking into account the payment of Dividends in cash, if any, on or prior to such Dividend Payment Date) or (b) if no Dividend Payment Date has occurred since the issuance of such share, zero.

Any Person shall be deemed to "beneficially own", to have "beneficial ownership" of, or to be "beneficially owning" any securities (which securities shall also be deemed "beneficially owned" by such Person) that such Person is deemed to "beneficially own" within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act; provided that any Person shall be deemed to beneficially own any securities that such Person has the right to acquire, whether or not such right is exercisable within sixty (60) days or thereafter (including assuming conversion of all Series A Preferred Stock, if any, owned by such Person to Common Stock).

"Board" has the meaning set forth in the recitals above.

"Business Day" means any day except a Saturday, a Sunday or other day on which the SEC or banks in the City of New York are authorized or required by law, regulation or executive order to be closed.

"Bylaws" means the Amended and Restated Bylaws of the Company, as amended and as may be amended from time to time.

"Capital Lease Obligations" of any Person means the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such Person under GAAP; the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP, and the final maturity of such obligations shall be the date of the last payment of such or any other amounts due under such lease (or other arrangement) prior to the first date on which such lease (or other arrangement) may be terminated by the lessee without payment of a premium or a penalty.

"Capitalized Software Expenditures" means, for any period, the aggregate of all expenditures (whether paid in cash or accrued as liabilities) by a Person and its Subsidiaries during such period in respect of licensed or purchased software or internally developed software and software enhancements that, in conformity with GAAP, are or are required to be reflected as capitalized costs on the consolidated balance sheet of such Person and such Subsidiaries.

"Capital Stock" means, with respect to any Person, any and all shares of, interests in, rights to purchase, warrants to purchase, options for, participations in or other equivalents of or interests in (however designated) stock issued by such Person.

"Cash Settlement" means settlement of a conversion or redemption of a share of Series A Preferred Stock solely for cash.

"Certificate of Designations" means this Certificate of Designations of Rights, Preferences and Limitations of the Series A Preferred Stock.

"Change of Control" means the occurrence of one of the following:

(a) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act) (other than Purchaser and/or any of its Affiliates), is or becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of a majority of the total voting power of the Voting Stock of the Company, other than as a result of a transaction in which (i) the holders of securities that represented 100% of the Voting Stock of the Company immediately prior to such transaction are substantially the same as the holders of securities that represent a majority of the Voting Stock of the surviving Person or its Parent Entity immediately after such transaction and (ii) the holders of securities that represented 100% of the Voting Stock of the Company immediately prior to such transaction own directly or indirectly Voting Stock of the surviving Person or its Parent Entity in substantially the same proportion to each other as immediately prior to such transaction;

(b) the merger or consolidation of the Company with or into another Person (other than Purchaser and/or any of its Affiliates) or the merger of another Person (other than Purchaser and/or any of its Affiliates) with or into the Company, or the sale of all or substantially all the assets of the Company (determined on a consolidated basis) to another Person (other than Purchaser and/or any of its Affiliates), other than (i) in the case of a merger or consolidation transaction, a transaction following which holders of securities that represented 100% of the Voting Stock of the Company immediately prior to such transaction (or other securities into which such securities are converted as part of such merger or consolidation transaction) own directly or indirectly at least a majority of the voting power of the Voting Stock of the surviving Person in such merger or consolidation transaction immediately after such transaction, or (ii) in the case of a sale of all or substantially all of the assets of the Company, to a Subsidiary or a Person that becomes a Subsidiary of the Company; or

(c) the occurrence of any "change in control" or "fundamental change" (or any similar event, however denominated) with respect to the Company under and as defined in any indenture, credit agreement or other agreement or instrument evidencing, governing the rights of the holders or otherwise relating to any indebtedness for borrowed money of the Company in an aggregate principal amount of $2,000,000 or more or any other series of preferred equity interests; provided that none of the foregoing in this clause (c) shall constitute a Change of Control if the Purchaser and/or any of its Affiliates are involved therewith.

"Charter" has the meaning set forth in the recitals above.

"close of business" means 5:00 p.m. (New York City time).

"Closing Price" of the Common Stock on any date of determination means the closing sale price or, if no closing sale price is reported, the last reported sale price, of the shares of the Common Stock on the NYSE on such date. If the Common Stock is not traded on the NYSE on any date of determination, the Closing Price of the Common Stock on such date of determination means the closing sale price as reported in the composite transactions for the principal United States securities exchange or automated quotation system on which the Common Stock is so listed or quoted, or, if no closing sale price is reported, the last reported sale price on the principal United

States securities exchange or automated quotation system on which the Common Stock is so listed or quoted, or if the Common Stock is not so listed or quoted on a United States securities exchange or automated quotation system, the last quoted bid price for the Common Stock in the over-the-counter market as reported by OTC Markets Group Inc. or any similar organization, or, if that bid price is not available, the market price of the Common Stock on that date as determined by an Independent Financial Advisor retained by the Company for such purpose.

"Combination Settlement" means settlement of a conversion or redemption of a share of Series A Preferred Stock for a combination of cash and shares of Common Stock, together with cash, if applicable, in lieu of delivering any fractional share of Common Stock in accordance with Section 12(h).

"Common Stock" means the common stock, par value $0.0001 per share, of the Company.

"Company" has the meaning set forth in the recitals above.

"Consolidated EBITDA" means, for any period, Consolidated Net Income for such period, plus

(a) without duplication and to the extent deducted in determining such Consolidated Net Income, the sum of:

(i) consolidated interest expense for such period (including imputed interest expense in respect of Capital Lease Obligations),

(ii) consolidated income tax expense for such period,

(iii) all amounts attributable to depreciation for such period and amortization of intangible assets and capitalized assets for such period,

(iv) any noncash charges for such period (excluding any additions to bad debt reserves or bad debt expense and any noncash charge to the extent it represents an accrual of or a reserve for cash expenditures in any future period),

(v) any losses attributable to early extinguishment of Indebtedness or obligations under any Hedging Agreement,

(vi) any unrealized losses for such period attributable to the application of "mark to market" accounting in respect of Hedging Agreements, and

(vii) the cumulative effect of a change in accounting principles; and minus

(b) without duplication and to the extent included in determining such Consolidated Net Income:

(i) any extraordinary gains for such period, all determined on a consolidated basis in accordance with GAAP,

(ii) noncash items of income for such period (excluding any noncash items of income (A) in respect of which cash was received in a prior period or will be received in a future period or (B) that represents the reversal of any accrual made in a prior period for anticipated cash charges, but only to the extent such accrual reduced Consolidated EBITDA for such prior period),

(iii) any gains attributable to the early extinguishment of indebtedness or obligations under any Hedging Agreement,

(iv) any unrealized gains for such period attributable to the application of "mark to market" accounting in respect of Hedging Agreements, and

(v) the cumulative effect of a change in accounting principles; and minus

(a) Capitalized Software Expenditures;

provided that Consolidated EBITDA shall be calculated so as to exclude the effect of any gain or loss that represents after-tax gains or losses attributable to any sale, transfer or other disposition, other than dispositions of inventory and other dispositions in the ordinary course of business. In the event that any Subsidiary shall not be a wholly owned Subsidiary, all amounts added back in computing Consolidated EBITDA for any period pursuant to clause (a) above, and all amounts subtracted in computing Consolidated EBITDA pursuant to clause (b) above, to the extent such amounts are, in the reasonable judgment of a financial officer of the Company, attributable to such Subsidiary, shall be reduced by the portion thereof that is attributable to the noncontrolling interest in such Subsidiary.

"Consolidated Funded Indebtedness" means at any time the aggregate US Dollar amount of indebtedness for borrowed money of the Company and its consolidated Subsidiaries, determined on a consolidated basis in accordance with GAAP, but excluding all Capital Lease Obligations of the Company and its Subsidiaries.

"Consolidated Net Income" means, for any period, the net income or loss of a Person and its consolidated Subsidiaries for such period, determined on a consolidated basis in accordance with GAAP (for the avoidance of doubt, in the case of any Subsidiary that is not a wholly owned Subsidiary, to the extent such net income or loss is attributed to the interest therein of the Person and its wholly owned Subsidiaries).

"Constituent Person" has the meaning set forth in Section 13(a)(iii).

"Conversion Agent" means the Transfer Agent acting in its capacity as conversion agent for the Series A Preferred Stock, and its successors and assigns.

"Conversion Date" means with respect to conversion of any shares of Series A Preferred Stock pursuant to Section 6, the date on which the Holder complies with the procedures in Section 7(c) (including the satisfaction of any conditions to conversion set forth in the Conversion Notice).

"Conversion Notice" has the meaning set forth in Section 7(c)(i).

"Conversion Price" means a dollar amount equal to $1,000 divided by the Conversion Rate.

"Conversion Rate" means, for each share of Series A Preferred Stock, 95.2381 shares of Common Stock, subject to adjustment as set forth herein.

"Conversion Right" has the meaning set forth in Section 6(a).

"Covered Repurchase" has the meaning set forth in Section 12(a)(iii).

"Credit Agreement" has the meaning set forth in the Investment Agreement.

"Current Market Price" per share of Common Stock, as of any date of determination, means the arithmetic average of the VWAP per share of Common Stock for each of the ten (10) consecutive full Trading Days ending on the Trading Day immediately preceding such day, adjusted to take into account the occurrence during such period of any event described in Section 12.

"Daily Conversion Value" means, for each share of Series A Preferred Stock converted or redeemed, as the case may be, for each of the forty (40) consecutive Trading Days during the Observation Period, one-fortieth (1/40) of the product of (a) the Adjusted Conversion Rate on such Trading Day and (b) the Daily VWAP for such Trading Day.

"Daily Measurement Value" means, for each share of Series A Preferred Stock, the Specified Dollar Amount (if any), divided by forty (40).

"Daily Settlement Amount", for each of the forty (40) consecutive Trading Days during the Observation Period, shall consist of:

(a) cash in an amount equal to the lesser of (i) the Daily Measurement Value and (ii) the Daily Conversion Value on such Trading Day; and

(b) if the Daily Conversion Value on such Trading Day exceeds the Daily Measurement Value, a number of shares of Common Stock equal to (i) the difference between the Daily Conversion Value and the Daily Measurement Value, divided by (ii) the Daily VWAP for such Trading Day.

"Daily VWAP" means, for each of the 40 consecutive Trading Days during the relevant Observation Period, the per share volume-weighted average price as displayed under the heading "Bloomberg VWAP" on Bloomberg page "P <equity> AQR" (or its equivalent successor if such page is not available) in respect of the period from the scheduled open of trading until the scheduled close of trading of the primary trading session on such Trading Day (or if such volume-weighted average price is unavailable, the market value of one share of the Common Stock on such Trading Day determined, using a volume-weighted average method, by a nationally recognized independent investment banking firm retained for this purpose by the Company). The "Daily VWAP" shall be determined without regard to after-hours trading or any trading outside of the regular trading session hours.

"DGCL" means the Delaware General Corporation Law, as amended.

"Distributed Property" has the meaning set forth in Section 12(a)(iv).

"Distribution Transaction" means any transaction by which a Subsidiary of the Company ceases to be a Subsidiary of the Company by reason of the distribution of such Subsidiary's equity securities to holders of Common Stock, whether by means of a spin-off, split-off, redemption, reclassification, exchange, stock dividend, share distribution, rights offering or similar transaction.

"Dividends" has the meaning set forth in Section 4(a).

"Dividend Payment Date" means March 31, June 30, September 30 and December 31 of each year, commencing on the later of (i) June 30, 2017 and (ii) the first such date to occur following the Initial Issuance Date (the "Initial Dividend Payment Date"); provided that if any such Dividend Payment Date is not a Business Day, then the applicable Dividend shall be payable on the next Business Day immediately following such Dividend Payment Date, without any interest.

"Dividend Payment Period" means, (a) (i) with respect Series A Preferred Stock issued on the Initial Issuance Date, the period from and including the Initial Issuance Date to but excluding the Initial Dividend Payment Date and (ii) with respect to Series A Preferred Stock issued on the Additional Issuance Date, the period from and including the Additional Issuance Date to but excluding the next occurring Dividend Payment Date, and (b) thereafter, the period from and including any Dividend Payment Date to but excluding the next Dividend Payment Date.

"Dividend Rate" means 6.0% per annum.

"Dividend Record Date" has the meaning set forth in Section 4(d).

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"Exchange Property" has the meaning set forth in Section 13(a)(iii).

"Expiration Date" has the meaning set forth in Section 12(a)(iii).

"Fair Market Value" means, with respect to any security or other property, the fair market value of such security or other property as reasonably determined in good faith by a majority of the Board, or an authorized committee thereof, (i) after consultation with an Independent Financial Advisor, as to any security or other property with a Fair Market Value of less than $25,000,000, or (ii) otherwise using an Independent Financial Advisor to provide a valuation opinion.

"Fall-Away of Purchaser Board Rights" means the first day on which the 50% Beneficial Ownership Test is not satisfied.

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

"Hedging Agreement" means any agreement with respect to any swap, forward, future or derivative transaction, or any option or similar agreement, involving, or settled by reference to, one or more rates, currencies, commodities, prices of equity or debt securities or instruments, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value, or any similar transaction or combination of the foregoing transactions; provided that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of the Company or its Subsidiaries shall be a Hedging Agreement.

"Holder" means a Person in whose name the shares of the Series A Preferred Stock are registered, which Person shall be treated by the Company, Transfer Agent, Registrar, paying agent and Conversion Agent as the absolute owner of the shares of Series A Preferred Stock for the purpose of making payment and settling conversions and for all other purposes; provided that, to the fullest extent permitted by law, no Person that has received shares of Series A Preferred Stock in violation of the Investment Agreement or this Certificate of Designations shall be a Holder, the Transfer Agent, Registrar, paying agent and Conversion Agent, as applicable, shall not, unless directed otherwise by the Company, recognize any such Person as a Holder and the Person in whose name the shares of the Series A Preferred Stock were registered immediately prior to such transfer shall remain the Holder of such shares.

"HSR Act" has the meaning set forth in the Investment Agreement.

"Implied Quarterly Dividend Amount" means, with respect to any share of Series A Preferred Stock, as of any date, the product of (a) the Base Amount of such share on the first day of the applicable Dividend Payment Period (or in the case of the first Dividend Payment Period for such share, as of the Issuance Date of such share) multiplied by (b) one fourth of the Dividend Rate applicable on such date.

"Indebtedness" means (a) all obligations of the Company or any of its Subsidiaries for borrowed money or with respect to deposits or advances of any kind, (b) all obligations of the Company or any of its Subsidiaries evidenced by bonds, debentures, notes or similar instruments, (c) all letters of credit and letters of guaranty in respect of which the Company or any of its Subsidiaries is an account party, (d) all securitization or similar facilities of the Company or any of

its Subsidiaries and (e) all guarantees by the Company or any of its Subsidiaries of any of the foregoing.

"Indebtedness Agreement" means any agreement, document or instrument governing or evidencing any Indebtedness of the Company or its Subsidiaries.

"Independent Financial Advisor" means an accounting, appraisal, investment banking firm or consultant of nationally recognized standing selected by the Company.

"Initial Closing" has the meaning set forth in the Investment Agreement.

"Initial Issuance Date" mean the date of the Initial Closing under the Investment Agreement.

"Investment Agreement" means that certain Investment Agreement dated as of June 9, 2017, between the Company and the Purchaser, as amended from time to time.

"Issuance Date" means, with respect to any share of Series A Preferred Stock, the date of issuance of such share.

"Junior Stock" has the meaning set forth in Section 2(c).

"Liquidation Preference" means, with respect to any share of Series A Preferred Stock, as of any date, $1,000 per share.

"Mandatory Redemption Date" means (i) if the Additional Closing occurs, the date that is the fifth anniversary of the Additional Issuance Date and (ii) if the Additional Closing does not occur, the date that is the fifth anniversary of the Initial Issuance Date.

"Market Disruption Event" means any suspension of, or limitation imposed on, trading of the Common Stock by any exchange or quotation system on which the Closing Price is determined pursuant to the definition of the term "Closing Price" (the "Relevant Exchange") during the one-hour period prior to the close of trading for the regular trading session on the Relevant Exchange (or for purposes of determining the VWAP per share of Common Stock, any period or periods aggregating one half-hour or longer during the regular trading session on the relevant day) and whether by reason of movements in price exceeding limits permitted by the Relevant Exchange as to securities generally, or otherwise relating to the Common Stock or options contracts relating to the Common Stock on the Relevant Exchange.

"Notice of Optional Redemption" has the meaning set forth in Section 10(b).

"Notice of Redemption" has the meaning set forth in Section 9(b)(i).

"NYSE" means the New York Stock Exchange.

"Observation Period" with respect to any share of Series A Preferred Stock surrendered for conversion or redemption, means the 40 consecutive Trading Day period beginning

on, and including, the second Trading Day immediately succeeding the Conversion Date or the Redemption Date, as applicable.

"Officer's Certificate" means a certificate signed by the Chief Executive Officer, the Chief Financial Officer or the Secretary of the Company.

"open of trading" means 9:00 a.m. (New York City time).

"Optional Redemption Date" means (i) if the Additional Closing occurs, the date that is the third anniversary of the Additional Issuance Date and (ii) if the Additional Closing does not occur, the date that is the third anniversary of the Initial Issuance Date.

"Parent Entity" means, with respect to any Person, any other Person of which such first Person is a direct or indirect wholly owned Subsidiary.

"Parity Stock" has the meaning set forth in Section 2(a).

"Permitted Transferee" means, with respect to any Person, (i) any Affiliate of such Person, (ii) any successor entity of such Person, and (iii) any transferee consented to in writing by the Company.

"Person" means any individual, corporation, estate, partnership, joint venture, association, joint-stock company, limited liability company, trust, unincorporated organization or any other entity.

"Physical Settlement" means settlement of a conversion or redemption of a share of Series A Preferred Stock solely for shares of Common Stock, together with cash, if applicable, in lieu of delivering any fractional share of Common Stock in accordance with Section 12(h).

"Preferred Stock" has the meaning set forth in the recitals above.

"Purchaser" has the meaning set forth in the Investment Agreement.

"Purchaser Designees" means the individuals designated in writing by the Purchaser for election to the Board pursuant to Section 5.10 of the Investment Agreement.

"Purchaser Parties" means the Purchaser and each Permitted Transferee of the Purchaser to whom shares of Series A Preferred Stock or Common Stock are transferred pursuant to Section 5.08(b)(i) of the Investment Agreement.

"Record Date" means, with respect to any dividend, distribution or other transaction or event in which the holders of the Common Stock have the right to receive any cash, securities or other property or in which the Common Stock is exchanged for or converted into any combination of cash, securities or other property, the date fixed for determination of holders of the Common Stock entitled to receive such cash, securities or other property (whether such date is fixed by the Board or by statute, contract or otherwise).

"Redemption Date" means with respect to the redemption of shares of Series A Preferred Stock pursuant to this Certificate of Designation, the date on which the applicable redemption consideration for the shares of Series A Preferred Stock redeemed is paid or delivered.

"Redemption Price" has the meaning set forth in Section 9(a).

"Redemption Right" has the meaning set forth in Section 9(a).

"Registrar" means the Transfer Agent acting in its capacity as registrar for the Series A Preferred Stock, and its successors and assigns.

"Relevant Exchange" has the meaning set forth in the definition of the term "Market Disruption Event".

"Reorganization Event" has the meaning set forth in Section 13(a)(iii).

"Required Cash Settlement Amount" has the meaning set forth in Section 11(c).

"Regulatory Approval" means the receipt of approvals and authorizations, or expiration or termination of any applicable waiting period, under the HSR Act.

"Satisfaction of the Indebtedness Obligations" means, in connection with any Change of Control, (i) the payment in full in cash of all principal, interest, fees and all other amounts due or payable in respect of any Indebtedness of the Company or any of its Subsidiaries (including in respect of any penalty or premium) that is required to be prepaid, repaid, redeemed, repurchased or otherwise retired as a result of or in connection with such Change of Control or in order for the Series A Preferred Stock not to constitute or be deemed as "indebtedness", "disqualified stock", "disqualified capital stock", "disqualified equity interests", or similar instruments, however denominated, under the terms of any Indebtedness Agreement, (ii) the cancellation or termination, or if permitted by the terms of such Indebtedness, cash collateralization, of any letters of credit or letters of guaranty that are required to be cancelled or terminated or cash collateralized as a result of or in connection with such Change of Control or in order for the Series A Preferred Stock not to constitute or be deemed as "indebtedness", "disqualified stock", "disqualified capital stock", "disqualified equity interests", or similar instruments, however denominated, under the terms of any Indebtedness Agreement, (iii) compliance with any requirement to effect an offer to purchase any bonds, debentures, notes or other instruments of Indebtedness as a result of or in connection with such Change of Control or in order for the Series A Preferred Stock not to constitute or be deemed as "indebtedness", "disqualified stock", "disqualified capital stock", "disqualified equity interests", or similar instruments, however denominated, under the terms of any Indebtedness Agreement, and the purchase of any such instruments tendered in such offer and the payment in full of any other amounts due or payable in connection with such purchase and (iv) the termination of any lending commitments required to be terminated as a result of or in connection with such Change of Control or in order for the Series A Preferred Stock not to constitute or be deemed as "indebtedness", "disqualified stock", "disqualified capital stock", "disqualified equity interests", or similar instruments, however denominated, under the terms of any Indebtedness Agreement.

"Senior Stock" has the meaning set forth in Section 2(b).

"Series A Change of Control Redemption Price" means, with respect to each share of Series A Preferred Stock then outstanding, the Accrued Amount through and including the fifth anniversary of the Initial Issuance Date (assuming, for purposes of this definition, such share of Series A Preferred Stock remained outstanding through the fifth anniversary of the Initial Issuance Date).

"Series A Preferred Stock" has the meaning set forth in Section 1.

"Settlement Amount" has the meaning set forth in Section 7(a)(ii).

"Settlement Method" means, with respect to any conversion or redemption, as the case may be, of shares of Series A Preferred Stock, Physical Settlement, Cash Settlement or Combination Settlement, as elected (or deemed to have been elected) by the Company.

"Settlement Notice" has the meaning set forth in Section 7(a)(i).

"Shareholder Approval" means all approvals, if any, of the shareholders of the Company required for the removal of the 19.99% Threshold in compliance with the Rule 312.03 of the NYSE Listed Company Manual or any successor rule.

"Significant Subsidiary" means a Subsidiary of the Company that meets the definition of "significant subsidiary" in Article 1, Rule 1-02 of Regulation S-X under the Exchange Act.

"Specified Contract Terms" means the covenants, terms and provisions of any indenture, credit agreement or any other agreement, document or instrument evidencing, governing the rights of the holders of or otherwise relating to any Indebtedness of the Company or any of its Subsidiaries.

"Specified Dollar Amount" means the maximum cash amount per share of Series A Preferred Stock to be received upon conversion or redemption, as the case may be, as specified (or deemed specified pursuant to this Certificate of Designations) in the Settlement Notice related to any converted or redeemed shares of Series A Preferred Stock.

"Specified Persons" has the meaning set forth in the Investment Agreement.

"Subsidiary", when used with respect to any Person, means any corporation, limited liability company, partnership, association, trust or other entity of which (i) securities or other ownership interests representing more than 50% of the ordinary voting power (or, in the case of a partnership, more than 50% of the general partnership interests) or (ii) sufficient voting rights to elect at least a majority of the board of directors or other governing body are, as of such date, owned by such Person or one or more Subsidiaries of such Person or by such Person and one or more Subsidiaries of such Person.

"Trading Day" means a Business Day on which the Relevant Exchange is scheduled to be open for business and on which there has not occurred a Market Disruption Event.

"Transfer" has the meaning set forth in the Investment Agreement.

"Transfer Agent" means the Person acting as Transfer Agent, Registrar and paying agent and Conversion Agent for the Series A Preferred Stock, and its successors and assigns. The Transfer Agent initially shall be Computershare, Inc.

"Trigger Event" has the meaning set forth in Section 12(a)(vii).

"Voting Stock" means (i) with respect to the Company, the Common Stock, the Series A Preferred Stock and any other Capital Stock of the Company having the right to vote generally in any election of directors of the Board and (ii) with respect to any other Person, all Capital Stock of such Person having the right to vote generally in any election of directors of the board of directors of such Person or other similar governing body.

"VWAP" per share of Common Stock on any Trading Day means the per share volume-weighted average price as displayed under the heading Bloomberg VWAP on Bloomberg (or, if Bloomberg ceases to publish such price, any successor service reasonably chosen by the Company) page "P <equity> AQR" (or its equivalent successor if such page is not available) in respect of the period from the open of trading on the relevant Trading Day until the close of trading on such Trading Day (or if such volume-weighted average price is unavailable, the market price of one share of Common Stock on such Trading Day determined, using a volume-weighted average method, by an Independent Financial Advisor retained for such purpose by the Company). The "VWAP" shall be determined without regard to after-hours trading or any trading outside of the regular trading session hours.

SECTION 4. Dividends.

(a) Payment of Dividends. Holders shall be entitled to receive dividends of the type and in the amount determined as set forth in this Section 4 (such dividends, "Dividends").

(b) Accrual of Dividends. Dividends on each share of Series A Preferred Stock (i) shall accrue on a daily basis from and including the Issuance Date of such share, whether or not declared and whether or not the Company has assets legally available to make payment thereof, at a rate equal to the Dividend Rate as further specified below and (ii) shall be payable quarterly in arrears, if, as and when authorized by the Board, or any duly authorized committee thereof, and declared by the Company, to the extent not prohibited by law, on each Dividend Payment Date, commencing on the first Dividend Payment Date following the Issuance Date of such share. The amount of Dividends accruing with respect to any share of Series A Preferred Stock for any day shall be determined by dividing (x) the Implied Quarterly Dividend Amount as of such day by (y) the actual number of days in the Dividend Payment Period in which such day falls; provided that if during any Dividend Payment Period, any Accrued Dividends in respect of one or more prior Dividend Payment Periods are paid, then after the date of such payment the amount of Dividends accruing with respect to any share of Series A Preferred Stock for any day shall be determined by

dividing (x) the Implied Quarterly Dividend Amount (recalculated to take into account such payment of Accrued Dividends) by (y) the actual number of days in such Dividend Payment Period. The amount of Dividends payable with respect to any share of Series A Preferred Stock for any Dividend Payment Period shall equal the sum of the daily Dividend amounts accrued in accordance with the prior sentence of this Section 4(b) with respect to such share during such Dividend Payment Period.

(c) Arrearages. If the Company fails to declare and pay in cash a full Dividend on the Series A Preferred Stock on any Dividend Payment Date, then any Dividends otherwise payable on such Dividend Payment Date on the Series A Preferred Stock shall be deemed to have accrued during the applicable Dividend Payment Period at the Dividend Rate and shall continue to accrue and cumulate at the Dividend Rate, payable quarterly in arrears on each Dividend Payment Date, through but not including the day upon which the Company pays in cash in accordance with Section 4(b) all Dividends on which the Series A Preferred Stock that are then in arrears or until the conversion or redemption of the applicable shares of Series A Preferred Stock.

(d) Record Date. The record date for payment of Dividends that are declared and paid on any relevant Dividend Payment Date will be the close of business on the fifteenth (15th) day of the calendar month that contains the relevant Dividend Payment Date (each, a "Dividend Record Date"), and the record date for payment of any Accrued Dividends that were not declared and paid in cash on any relevant Dividend Payment Date will be the close of business on the date that is established by the Board, or a duly authorized committee thereof, as such, which will not be more than ten (10) days prior to the date on which such Dividends are paid (each, an "Accrued Dividend Record Date"), in each case whether or not such day is a Business Day.

(e) Priority of Dividends. So long as any shares of Series A Preferred Stock remain outstanding, unless full dividends on all outstanding shares of Series A Preferred Stock have been declared and paid in cash, including any accrued and unpaid dividends on the Series A Preferred Stock that are then in arrears, or have been or contemporaneously are declared and a sum sufficient for the payment of those dividends has been or is set aside for the benefit of the Holders, the Company may not declare any dividend on, or make any distributions relating to, Junior Stock or Parity Stock, or redeem, purchase, acquire (either directly or through any Subsidiary) or make a liquidation payment relating to, any Junior Stock or Parity Stock, other than:

(i) purchases, redemptions or other acquisitions of shares of Junior Stock in connection with any employment contract, benefit plan or other similar arrangement with or for the benefit of current or former employees, officers, directors or consultants;

(ii) purchases of Junior Stock through the use of the proceeds of a substantially contemporaneous sale of other shares of Junior Stock;

(iii) as a result of an exchange or conversion of any class or series of Parity Stock or Junior Stock for any other class or series of Parity Stock (in the case of Parity Stock) or Junior Stock (in the case of Parity Stock or Junior Stock);

(iv) purchases of fractional interests in shares of Parity Stock or Junior Stock pursuant to the conversion or exchange provisions of such Parity Stock or Junior Stock or the security being converted or exchanged;

(v) payment of any dividends in respect of Junior Stock where the dividend is in the form of the same stock or rights to purchase the same stock as that on which the dividend is being paid;

(vi) distributions of Junior Stock or rights to purchase Junior Stock; or

(vii) any dividend in connection with the implementation of a shareholders' rights or similar plan, or the redemption or repurchase of any rights under such.

Subject to the provisions of this Section 4, dividends may be authorized by the Board, or any duly authorized committee thereof, and declared and paid by the Company, or any duly authorized committee thereof, on any Junior Stock and Parity Stock from time to time and the Holders will not be entitled to participate in those dividends (other than pursuant to the adjustments otherwise provided under Section 12(a) or Section 13(a), as applicable).

(f) Conversion or Redemption Following a Record Date. If the Conversion Date or Redemption Date for any shares of Series A Preferred Stock is prior to the close of business on a Dividend Record Date or an Accrued Dividend Record Date, the Holder of such shares will not be entitled to any dividend in respect of such Dividend Record Date or Accrued Dividend Record Date, as applicable, other than through the inclusion of Accrued Dividends as of the Conversion Date or Redemption Date in the calculations made under Section 7 through Section 11.

SECTION 5. Liquidation Rights.

(a) Liquidation. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company, the Holders shall be entitled, out of assets legally available therefor, before any distribution or payment out of the assets of the Company may be made to or set aside for the holders of any Junior Stock, and subject to the rights of the holders of any Senior Stock or Parity Stock and the rights of the Company's existing and future creditors, to receive in full a liquidating distribution in cash and in the amount per share of Series A Preferred Stock equal to the greater of (i) the sum of (A) the Liquidation Preference plus (B) the Accrued Dividends with respect to such share of Series A Preferred Stock as of the date of such voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company and (ii) the amount such Holders would have received had such Holders, immediately prior to such voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company, converted such shares of Series A Preferred Stock into Common Stock pursuant to Section 6 (disregarding the 19.99% Threshold). Holders shall not be entitled to any further payments in the event of any such voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company other than what is expressly provided for in this Section 5 and will have no right or claim to any of the Company's remaining assets.

(b) Partial Payment. If in connection with any distribution described in Section 5(a) above, the assets of the Company or proceeds therefrom are not sufficient to pay in full the aggregate liquidating distributions required to be paid pursuant to Section 5(a) to all Holders and the liquidating distributions payable to all holders of any Parity Stock, the amounts distributed to the Holders and to the holders of all such Parity Stock shall be paid pro rata in accordance with the respective aggregate liquidating distributions to which they would otherwise be entitled if all amounts payable thereon were paid in full.

(c) Merger, Consolidation and Sale of Assets Not Liquidation. For purposes of this Section 5, the sale, conveyance, exchange or transfer (for cash, shares of stock, securities or other consideration) of all or substantially all of the property and assets of the Company shall not be deemed a voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company, nor shall the merger, consolidation, statutory exchange or any other business combination transaction of the Company into or with any other Person or the merger, consolidation, statutory exchange or any other business combination transaction of any other Person into or with the Company be deemed to be a voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company.

SECTION 6. Right of the Holders to Convert.

(a) Conversion. From and after the earlier of (i) the Additional Closing or (ii) if the Investment Agreement is terminated prior to the Additional Closing, the date of such termination, each Holder shall have the right, at such Holder's option at any time, subject to the conversion procedures set forth in Section 7, to convert each share of such Holder's Series A Preferred Stock and the Accrued Dividends with respect to such share of Series A Preferred Stock at the Conversion Price as of the applicable Conversion Date (the "Conversion Right"). The Conversion Right may be exercised as to all or any portion of such Holder's Series A Preferred Stock from time to time after the earlier of (i) the Additional Closing or (ii) if the Investment Agreement is terminated prior to the Additional Closing, the date of such termination; provided that, in each case, the Conversion Right may not be exercised by a Holder in respect of fewer than 25,000 shares of Series A Preferred Stock (unless such conversion relates to all shares of Series A Preferred Stock held by such Holder); provided, further, that prior to the receipt of Shareholder Approval, Series A Preferred Stock and Accrued Dividends shall not be convertible pursuant to this Section 6 (assuming the Company elects Physical Settlement or Combination Settlement) in the aggregate into more than 19.99% of the Company's Common Stock outstanding on the Initial Issuance Date (subject to appropriate adjustment in the event of a stock split, stock dividend, distribution, combination or other similar recapitalization) (such limitation, the "19.99% Threshold"). Notwithstanding the foregoing, a Holder may not convert shares of Series A Preferred Stock if such conversion would require Regulatory Approval and such Regulatory Approval has not been obtained.

(b) Reservation of Shares. The Company shall at all times reserve and keep available out of its authorized and unissued Common Stock, solely for issuance upon the conversion of the Series A Preferred Stock, such number of shares of Common Stock as shall from time to time be issuable upon the conversion of all the shares of Series A Preferred Stock then outstanding. Any

shares of Common Stock issued upon conversion of Series A Preferred Stock shall be duly authorized, validly issued, fully paid and nonassessable.

(c) Shareholder Approval. If the Series A Preferred Stock would at any time be convertible into a number of shares of Common Stock exceeding the 19.99% Threshold but for the last proviso of the second to last sentence of Section 6(a), the Company shall, upon the written request of Holders holding a majority of the outstanding Series A Preferred Stock, hold a meeting of its shareholders for the purpose of obtaining the Shareholder Approval within one hundred twenty (120) days following such request and use its commercially reasonable efforts to obtain the Shareholder Approval; provided that if the Shareholder Approval is not obtained at such meeting, upon the written request of Holders holding a majority of the outstanding Series A Preferred Stock, the Company shall use its commercially reasonable efforts to obtain the Shareholder Approval at any subsequent annual meeting of the Company's shareholders until the Shareholder Approval is obtained.

SECTION 7. Settlement Procedures; Conversion Procedures; Effect of Conversion.

(a) Settlement Procedures. Upon conversion of any shares of Series A Preferred Stock pursuant to Section 6, the Company shall pay or deliver, as the case may be, to the converting Holder, in respect of the shares of Series A Preferred Stock and Accrued Dividends thereon converted, a Cash Settlement, a Physical Settlement or a Combination Settlement, at its election, as set forth in this Section 7(a).

(i) If, in respect of any Conversion Date, the Company elects to deliver a notice (a "Settlement Notice") of the relevant Settlement Method in respect of such Conversion Date, the Company, through the Conversion Agent, shall deliver such Settlement Notice to converting Holders, no later than the close of business on the second Trading Day immediately following the relevant Conversion Date. If the Company does not elect a Settlement Method for a particular Conversion Date prior to the deadline set forth in the immediately preceding sentence, the Company shall no longer have the right to elect Cash Settlement or Combination Settlement with respect to such Conversion Date and the Company shall be deemed to have elected Physical Settlement in respect of the conversion. Such Settlement Notice shall specify the relevant Settlement Method and, in the case of an election of Combination Settlement, the relevant Settlement Notice shall indicate the Specified Dollar Amount per share of Series A Preferred Stock. If the Company delivers a Settlement Notice electing Combination Settlement in respect of its Conversion Right but does not indicate a Specified Dollar Amount per share of Series A Preferred Stock, the Specified Dollar Amount per share of Series A Preferred Stock shall be deemed to be $1,000.

(ii) The cash, shares of Common Stock or combination of cash and shares of Common Stock in respect of any conversion of shares of Series A Preferred Stock (the "Settlement Amount") shall be computed as follows:

(A) if the Company elects (or is deemed to have elected) to settle the conversion by Physical Settlement, the Company shall deliver to the converting Holder in respect of each share of Series A Preferred Stock being converted or

redeemed a number of shares of Common Stock equal to the quotient of the Accrued Amount divided by the Conversion Price in effect on the Conversion Date;

(B) if the Company elects to settle the conversion by Cash Settlement, the Company shall pay to the converting Holder in respect of each share of Series A Preferred Stock being converted cash in an amount equal to the sum of the Daily Conversion Values for each of the 40 consecutive Trading Days during the related Observation Period; and

(C) if the Company elects to settle the conversion by Combination Settlement, the Company shall pay or deliver, as the case may be, in respect of each share of Series A Preferred Stock being converted, a Settlement Amount equal to the sum of the Daily Settlement Amounts for each of the 40 consecutive Trading Days during the related Observation Period.

The Daily Settlement Amounts (if applicable) and the Daily Conversion Values (if applicable) shall be determined by the Company promptly following the last day of the Observation Period. Promptly after such determination of the Daily Settlement Amounts or the Daily Conversion Values, as the case may be, and the amount of cash payable in lieu of delivering any fractional share of Common Stock, the Company shall notify the Conversion Agent of the Daily Settlement Amounts or the Daily Conversion Values, as the case may be, and the amount of cash payable in lieu of delivering fractional shares of Common Stock. The Conversion Agent shall have no responsibility for any such determination.

(b) Payment of Settlement. The Company shall pay or deliver, as the case may be, the Settlement Amount on the third Business Day immediately following the relevant Conversion Date, if the Company elects Physical Settlement, or on the third Business Day immediately following the last Trading Day of the relevant Observation Period, in the case of any other Settlement Method. If any shares of Common Stock are due upon conversion, the Company shall issue or cause to be issued, the number of whole shares of Common Stock issuable upon conversion (and deliver payment of cash in lieu of fractional shares as set out in Section 12(h)) and, to the extent applicable, any cash, securities or other property issuable thereon. Such delivery of shares of Common Stock, securities or other property shall be made, at the option of the Company, in certificated form or by book-entry. Any such certificate or certificates shall be delivered by the Company to the appropriate Holder on a book-entry basis or by mailing certificates evidencing the shares to the Holders at their respective addresses as set forth in the Conversion Notice. If a Holder shall not by written notice designate the name in which shares of Common Stock (and payments of cash in lieu of fractional shares) and, to the extent applicable, cash, securities or other property to be delivered upon conversion of shares of Series A Preferred Stock should be registered or paid, or the manner in which such shares, cash, securities or other property should be delivered, the Company shall be entitled to register and deliver such shares, securities or other property, and make such payment, in the name of the Holder and in the manner shown on the records of the Company.

(c) Conversion Procedure. A Holder must do each of the following in order to convert shares of Series A Preferred Stock pursuant to Section 6:

(i) complete and manually sign the conversion notice provided by the Conversion Agent (the "Conversion Notice"), and deliver such notice to the Conversion Agent at the office of the Conversion Agent and state in writing therein the number of shares of Series A Preferred Stock to be converted and the name or names (with addresses) in which such Holder wishes the certificate or certificates for any shares of Common Stock to be delivered upon settlement of the Conversion Right to be registered; provided that a Conversion Notice may be conditional on the completion of a Change of Control or other corporate transaction;

(ii) deliver to the Conversion Agent the certificate or certificates (if any) representing the shares of Series A Preferred Stock to be converted;

(iii) if required, furnish appropriate endorsements and transfer documents; and

(iv) if required, pay any stock transfer, documentary, stamp or similar taxes not payable by the Company pursuant to Section 18.

(d) Effect of Conversion. Effective immediately prior to the close of business on the Conversion Date applicable to any shares of Series A Preferred Stock, Dividends shall no longer accrue or be declared on any such shares of Series A Preferred Stock, and such shares of Series A Preferred Stock shall cease to be outstanding.

(e) Record Holder of Underlying Securities as of Conversion Date. The Person or Persons in whose name the shares of Common Stock (and, to the extent applicable, cash, securities or other property issuable upon conversion of Series A Preferred Stock) shall be issued upon conversion shall be treated as a stockholder of record as of the close of business on the relevant Conversion Date (if the Company elects to satisfy the related Conversion Right by Physical Settlement) or the last Trading Day of the relevant Observation Period (if the Company elects to satisfy the related Conversion Right by Combination Settlement), as the case may be.

(f) Status of Converted Shares. Shares of Series A Preferred Stock converted in accordance with this Certificate of Designations, shall return to the status of and constitute authorized but unissued shares of Preferred Stock, without classification as to series until such shares are once more classified as a particular series by the Board pursuant to the provisions of the Charter.

(g) Partial Conversion. In case any certificate for shares of Series A Preferred Stock shall be surrendered for partial conversion, the Company shall execute and deliver to or upon the written order of the Holder of the certificate so surrendered a new certificate for the shares of Series A Preferred Stock not converted.

SECTION 8. Redemption Upon Change of Control.

(a) Mandatory Redemption; Change of Control Redemption Price. Subject to Section 8(d), upon the occurrence of a Change of Control, the Company shall be required to redeem the outstanding shares of Series A Preferred Stock at a redemption price per share of Series A

Preferred Stock, payable in cash (in the case of clause (i)) or the applicable consideration (in the case of clause (ii)), equal to the greater of (i) the Series A Change of Control Redemption Price of such share of Series A Preferred Stock and (ii) the amount of cash and/or other assets such Holder would have received had such Holder, immediately prior to such Change of Control, converted such share of Series A Preferred Stock into Common Stock pursuant to Section 6 (disregarding the 19.99% Threshold) (the "Change of Control Redemption Price").

(b) Initial Change of Control Notice. On or before the twentieth (20th) Business Day prior to the date on which the Company anticipates consummating a Change of Control (or, if later, promptly after the Company discovers that a Change of Control may occur), a written notice (a "Change of Control Notice") shall be sent by or on behalf of the Company to the Holders as they appear in the records of the Company, which notice shall contain the date on which the Change of Control is anticipated to be effected (or, if applicable, the date on which a Schedule TO or other schedule, form or report disclosing a Change of Control was filed). The Change of Control Notice shall include (i) a description of the material terms and conditions of the Change of Control, (ii) the date on which the Change of Control is anticipated to be consummated, (iii) the Change of Control Redemption Price and the calculation thereof, (iv) a description of the payments and other actions required to be made or taken in order to effect the Satisfaction of the Indebtedness Obligations and (v) the instructions a Holder must follow to receive payment.

(c) Delivery upon Change of Control. Upon the consummation of a Change of Control, after the Satisfaction of the Indebtedness Obligations and subject to Section 8(d) below, the Company (or its successor) shall deliver or cause to be delivered to the Holder by mail or wire transfer the Change of Control Redemption Price of such Holder's shares of Series A Preferred Stock.

(d) Cash Redemption Not Permitted. If the Company (A) shall not have sufficient funds legally available under the DGCL to redeem all outstanding shares of Series A Preferred Stock or (B) will be in violation of Specified Contract Terms if it redeems outstanding shares of Series A Preferred Stock, the Company shall (i) redeem, pro rata among the Holders, a number of shares of Series A Preferred Stock with an aggregate Change of Control Redemption Price equal to the lesser of (1) the amount legally available for the redemption of shares of Series A Preferred Stock under the DGCL and (2) the largest amount that can be used for such redemption not prohibited by Specified Contract Terms and (ii) redeem any shares of Series A Preferred Stock not purchased because of the foregoing limitations at the applicable Change of Control Redemption Price as soon as practicable after the Company is able to make such redemption out of assets legally available for the purchase of such share of Series A Preferred Stock and without violation of Specified Contract Terms. The inability of the Company (or its successor) to make a redemption payment for any reason shall not relieve the Company (or its successor) from its obligation to effect any required purchase when, as and if permitted by applicable law and Specified Contract Terms. If the Company fails to pay the Change of Control Redemption Price in full when due in accordance with this Section 8 in respect of some or all of the shares of Series A Preferred Stock to be redeemed pursuant to this Section 8, the Company will pay Dividends on such shares not repurchased at a Dividend Rate equal to 8.0% per annum, accruing daily from such date until the Change of Control Redemption Price, plus all Accrued Dividends thereon, are paid in full in respect of such shares of

Series A Preferred Stock. Notwithstanding the foregoing, if a Change of Control occurs at a time when the Company is restricted or prohibited (contractually or otherwise) from redeeming some or all of the Series A Preferred Stock, the Company will use its commercially reasonable efforts to obtain the requisite consents to remove or obtain an exception or waiver to such restrictions or prohibition. For purposes of clarity, notwithstanding anything to the contrary contained in this Section 8, the payment of the Change of Control Redemption Price may occur only after the Satisfaction of the Indebtedness Obligations occurs.

(e) Change of Control Agreements. The Company shall not enter into any agreement for a transaction constituting a Change of Control unless (i) such agreement provides for or does not interfere with or prevent (as applicable) the payment in full of the Change of Control Redemption Price to this Section 8, and (ii) the acquiring or surviving Person in such Change of Control represents or covenants, in form and substance reasonably satisfactory to the Board acting in good faith, that at the closing of such Change of Control, such Person shall have sufficient funds (which may include, without limitation, cash and cash equivalents on the Company's balance sheet, the proceeds of any debt or equity financing, available lines of credit or uncalled capital commitments) to consummate such Change of Control and effect the Satisfaction of the Indebtedness Obligations and the payment of the Change of Control Redemption Price in respect of the outstanding shares of Series A Preferred Stock.

(f) Partial Redemption. In case any certificate for shares of Series A Preferred Stock shall be surrendered for partial redemption, the Company shall execute and deliver to or upon the written order of the Holder of the certificate so surrendered a new certificate for the shares of Series A Preferred Stock not redeemed.

(g) Effect of Redemption. Effective immediately prior to the close of business on the Redemption Date for any shares of Series A Preferred Stock redeemed pursuant to this Section 8, Dividends shall no longer accrue or be declared on any such shares of Series A Preferred Stock, and such shares of Series A Preferred Stock shall cease to be outstanding.

(h) Status of Redeemed Shares. Shares of Series A Preferred Stock redeemed in accordance with this Section 8, shall return to the status of and constitute authorized but unissued shares of Preferred Stock, without classification as to series until such shares are once more classified as a particular series by the Board pursuant to the provisions of the Charter.

SECTION 9. Redemption at the Option of the Holder.

(a) Mandatory Redemption; Redemption Price. At any time from and after the Mandatory Redemption Date, each Holder of shares of Series A Preferred Stock shall have the right (the "Redemption Right") to require the Company to redeem any or all of the shares of Series A Preferred Stock of such Holder outstanding, to the extent not prohibited by law, at a redemption price per share of Series A Preferred Stock, equal to the sum of (i) the Liquidation Preference per share of Series A Preferred Stock to be redeemed plus (ii) the Accrued Dividends with respect to each such share of Series A Preferred Stock as of the applicable Redemption Date (such price, the "Redemption Price"). The Redemption Price shall be paid or delivered, as applicable, in accordance

with the settlement procedures set forth in Section 11; provided that if the Additional Closing has not occurred, the Redemption Price shall be paid by Cash Settlement.

(b) Exercise of Redemption Right. A Holder must do each of the following in order to exercise its Redemption Right pursuant to this Section 9 no later than 5:00 p.m., New York City time, on the date that is 30 days prior to the Redemption Date,

(i) deliver a manually signed written notice of exercise (a "Notice of Redemption") to the Company and the Transfer Agent. The Notice of Redemption shall state in writing therein the number of shares of Series A Preferred Stock to be redeemed and the name or names (with addresses) in which such Holder wishes the certificate or certificates for any shares of Common Stock to be delivered upon settlement of the Redemption Right to be registered.

(ii) deliver to the Transfer Agent the certificate or certificates (if any) representing the shares of Series A Preferred Stock to be redeemed; and

(iii) if required, furnish appropriate endorsements and transfer documents.

(c) Partial Redemption. In case any certificate for shares of Series A Preferred Stock shall be surrendered for partial redemption, the Company shall execute and deliver to or upon the written order of the Holder of the certificate so surrendered a new certificate for the shares of Series A Preferred Stock not redeemed.

(d) Effect of Redemption. Effective immediately prior to the close of business on the Redemption Date for any shares of Series A Preferred Stock redeemed pursuant to this Section 9, Dividends shall no longer accrue or be declared on any such shares of Series A Preferred Stock, and such shares of Series A Preferred Stock shall cease to be outstanding.

(e) Status of Redeemed Shares. Shares of Series A Preferred Stock redeemed in accordance with this Section 9, shall return to the status of and constitute authorized but unissued shares of Preferred Stock, without classification as to series until such shares are once more classified as a particular series by the Board pursuant to the provisions of the Charter.

SECTION 10. Redemption at the Option of the Company.

(a) Optional Redemption; Redemption Price. (i) If at any time after the termination of the Investment Agreement prior to the Additional Closing or (ii) if at any time after the Optional Redemption Date, the VWAP per share of Common Stock is greater than 175% of the Conversion Price for at least twenty (20) Trading Days in any period of thirty (30) consecutive Trading Days, the Company may elect to redeem (an "Optional Redemption") all, but not less than all, of the outstanding shares of Series A Preferred Stock for the Redemption Price per share of Series A Preferred Stock. The Redemption Price shall be paid or delivered, as applicable, in accordance with the settlement procedures set forth in Section 11; provided that the Company may exercise the Optional Redemption pursuant to clause (i) of this Section 10(a) only with the written consent of the Holders holding a majority of the outstanding Series A Preferred Stock; provided

further that if the Company exercises the Optional Redemption pursuant to clause (i) of this Section 10(a), the Redemption Price shall be paid by Cash Settlement.

(b) Exercise of Optional Redemption. If the Company elects to effect an Optional Redemption, the Company shall, within twenty (20) Business Days following the completion of any thirty (30) consecutive Trading Day period referred to in Section 10(a) above, provide notice of Optional Redemption to each Holder (such notice, a "Notice of Optional Redemption"). The Redemption Date selected by the Company shall be no less than ten (10) Business Days and no more than twenty (20) Business Days after the date on which the Company provides the Notice of Optional Redemption to the Holders. The Notice of Optional Redemption shall state the Redemption Date selected by the Company.

(c) Effect of Redemption. Effective immediately prior to the close of business on the Redemption Date for any shares of Series A Preferred Stock redeemed pursuant to this Section 10, Dividends shall no longer accrue or be declared on any such shares of Series A Preferred Stock, and such shares of Series A Preferred Stock shall cease to be outstanding.

(d) Status of Redeemed Shares. Shares of Series A Preferred Stock redeemed in accordance with this Section 10, shall return to the status of and constitute authorized but unissued shares of Preferred Stock, without classification as to series until such shares are once more classified as a particular series by the Board pursuant to the provisions of the Charter.

SECTION 11. Redemption Settlement.

(a) Settlement Procedures. Upon redemption pursuant to Section 9 or Section 10, the Company shall pay or deliver, as the case may be, to the redeemed Holder in respect of the shares of Series A Preferred Stock and Accrued Dividends thereon redeemed, a Cash Settlement, a Physical Settlement or a Combination Settlement, at its election, as set forth in this Section 11, subject to the proviso of the last sentence of Section 9(a) and the last proviso of the last sentence of Section 10(a).

(i) If, in respect of any Redemption Date, the Company elects to deliver a notice (a "Settlement Notice") of the relevant Settlement Method in respect of such Redemption Date, the Company, through the Conversion Agent, shall deliver such Settlement Notice to redeemed Holders, no later than the close of business on the second Trading Day immediately following the relevant Redemption Date, as applicable. If the Company does not elect a Settlement Method for a particular Redemption Date prior to the deadline set forth in the immediately preceding sentence, the Company shall no longer have the right to elect Cash Settlement or Combination Settlement with respect to such Redemption Date and the Company shall be deemed to have elected Physical Settlement in respect of the conversion or redemption. Such Settlement Notice shall specify the relevant Settlement Method and in the case of an election of Combination Settlement, the relevant Settlement Notice shall indicate the Specified Dollar Amount per share of Series A Preferred Stock. If the Company delivers a Settlement Notice electing Combination Settlement in respect of a redemption but does not indicate a Specified Dollar Amount per share of Series A Preferred Stock, the Specified Dollar Amount per share of Series A Preferred Stock shall be deemed to be $1,000.

(ii) The cash, shares of Common Stock or combination of cash and shares of Common Stock in respect of any redemption of shares of Series A Preferred Stock (the "Settlement Amount") shall be computed as follows:

(A) if the Company elects (or is deemed to have elected) to settle the redemption by Physical Settlement, the Company shall deliver to the redeemed Holder in respect of each share of Series A Preferred Stock being redeemed a number of shares of Common Stock equal to the quotient of the Redemption Price divided by the Daily VWAP during the related Observation Period;

(B) if the Company elects to settle the redemption by Cash Settlement, the Company shall pay to the redeeming Holder in respect of each share of Series A Preferred Stock being redeemed cash in an amount equal to the Redemption Price; and

(C) if the Company elects to settle the redemption by Combination Settlement, the Company shall pay or deliver, as the case may be, in respect of each share of Series A Preferred Stock being redeemed, a Settlement Amount (i) in cash equal to the Specified Dollar Amount and (ii) in shares of Common Stock equal to the quotient of (x) the difference between Redemption Price and the Specified Dollar Amount divided by (y) the Daily VWAP during the related Observation Period.

The Redemption Price and the amount of cash payable in lieu of delivering any fractional share of Common Stock shall be determined by the Company and the Company shall notify the Conversion Agent thereof. The Conversion Agent shall have no responsibility for any such determination.

(b) Payment of Settlement. The Company shall pay or deliver, as the case may be, the Settlement Amount on the third Business Day immediately following the relevant Conversion Date or Redemption Date, if the Company elects Cash Settlement, or on the third Business Day immediately following the last Trading Day of the relevant Observation Period, in the case of any other Settlement Method. If any shares of Common Stock are due upon redemption, the Company shall issue or cause to be issued, the number of whole shares of Common Stock issuable upon redemption (and deliver payment of cash in lieu of fractional shares as set out in Section 12(h)) and, to the extent applicable, any cash, securities or other property issuable thereon. Such delivery of shares of Common Stock, securities or other property shall be made, at the option of the Company, in certificated form or by book-entry. Any such certificate or certificates shall be delivered by the Company to the appropriate Holder on a book-entry basis or by mailing certificates evidencing the shares to the Holders at their respective addresses as set forth in the Conversion Notice. If a Holder shall not by written notice designate the name in which shares of Common Stock (and payments of cash in lieu of fractional shares) and, to the extent applicable, cash, securities or other property to be delivered upon redemption of shares of Series A Preferred Stock should be registered or paid, or the manner in which such shares, cash, securities or other property should be delivered, the Company shall be entitled to register and deliver such shares, securities or other property, and make such payment, in the name of the Holder and in the manner shown on the records of the Company.

(c) Physical Settlement for Common Stock in Excess of 19.99%. Notwithstanding Section 11(a), if a Physical Settlement or Combination Settlement would result in the 19.99% Threshold being exceeded, then, subject to the next sentence, the Company must elect either (i) a Cash Settlement or (ii) a Combination Settlement that consists of (x) a Specified Dollar Amount of cash and (y) a number of shares of Common Stock of the Company that does not result in the 19.99% Threshold being exceeded. However, if, as of the applicable Redemption Date, the Company (A) shall not have sufficient funds legally available under the DGCL to pay the amount of cash required pursuant to the previous sentence (such amount, the "Required Cash Settlement Amount") or (B) the Company would be violation of Specified Contract Terms if it pays the Required Cash Settlement Amount (or any portion thereof) in cash, then the Company shall, (1) redeem for Common Stock, pro rata among the Holders, the maximum number of shares of Series A Preferred Stock that does not result in the 19.99% Threshold being exceeded, (2) redeem for an amount of cash, pro rata among the Holders, a number of shares of Series A Preferred Stock, equal to the lesser of (I) the amount legally available for the redemption of shares of Series A Preferred Stock under the DGCL and (II) the largest amount that can be used for such redemption not prohibited by Specified Contract Terms and (3) either (A) redeem for Common Stock, pro rata among the Holders, any shares of Series A Preferred Stock not redeemed as soon as practicable that would not result in the 19.99% Threshold being exceeded and, in such event, the Company shall redeem the maximum number of shares of Series A Preferred Stock that would not result in the 19.99% Threshold being exceeded or (B) redeem for cash any shares of Series A Preferred Stock not redeemed because of the foregoing limitations as soon as practicable after the Company is able to make such redemption out of assets legally available for the redemption of such share of Series A Preferred Stock and without violation of Specified Contract Terms. The inability of the Company (or its successor) to make a redemption payment in cash for any reason shall not relieve the Company (or its successor) from its obligation to effect any required redemption when, as and if permitted by applicable law and Specified Contract Terms. If the Company defers the redemption of shares of Series A Preferred Stock in accordance with this Section 11(c), Dividends on such shares not redeemed shall continue to accrue at the Dividend Rate, from the such date until such shares are redeemed (or converted into Common Stock).

(d) Record Holder of Underlying Securities as of Redemption Date. The Person or Persons in whose name the shares of Common Stock (and, to the extent applicable, cash, securities or other property issuable upon conversion of Series A Preferred Stock) shall be issued upon redemption shall be treated as a stockholder of record as of the close of business on the relevant Redemption Date (if the Company elects to satisfy the Redemption Right by Physical Settlement) or the last Trading Day of the relevant Observation Period (if the Company elects to satisfy the Redemption Right by Combination Settlement), as the case may be.

SECTION 12. Anti-Dilution Adjustments.

(a) Adjustments. The Conversion Rate will be subject to adjustment, without duplication, upon the occurrence of the following events, except that the Company shall not make any adjustment to the Conversion Rate if Holders of the Series A Preferred Stock participate, at the same time and upon the same terms as holders of Common Stock and solely as a result of holding

shares of Series A Preferred Stock, in any transaction described in this Section 12(a), without having to convert their Series A Preferred Stock, as if they held a number of shares of Common Stock equal to the Conversion Rate multiplied by the number of shares of Series A Preferred Stock held by such Holders:

(i) The issuance of Common Stock as a dividend or distribution to all or substantially all holders of Common Stock, or a subdivision or combination of Common Stock or a reclassification of Common Stock into a greater or lesser number of shares of Common Stock, in which event the Conversion Rate shall be adjusted based on the following formula:

CR1 = CR0 x (OS1 / OS0)

CR0 = the Conversion Rate in effect immediately prior to the close of business on (i) the Record Date for such dividend or distribution, or (ii) the effective date of such subdivision, combination or reclassification

CR1 = the new Conversion Rate in effect immediately after the close of business on (i) the Record Date for such dividend or distribution, or (ii) the effective date of such subdivision, combination or reclassification

OS0 = the number of shares of Common Stock outstanding immediately prior to the close of business on (i) the Record Date for such dividend or distribution or (ii) the effective date of such subdivision, combination or reclassification

OS1 = the number of shares of Common Stock that would be outstanding immediately after, and solely as a result of, the completion of such event

Any adjustment made pursuant to this clause (i) shall be effective immediately after the close of business on the Record Date for such dividend or distribution, or the effective date of such subdivision, combination or reclassification. If any such event is announced or declared but does not occur, the Conversion Rate shall be readjusted, effective as of the date the Board announces that such event shall not occur, to the Conversion Rate that would then be in effect if such event had not been declared.

(ii) The dividend, distribution or other issuance to all or substantially all holders of Common Stock of rights (other than rights, options or warrants distributed in connection with a stockholder rights plan (in which event the provisions of Section 12(a)(vii) shall apply), options or warrants entitling them to subscribe for or purchase shares of Common Stock for a period expiring forty-five (45) days or less from the date of issuance thereof, at a price per share that is less than the Current Market Price as of the Record Date for such issuance, in which event the Conversion Rate will be increased based on the following formula:

CR1 = CR0 x [(OS0+X) / (OS0+Y)]

CR0 = the Conversion Rate in effect immediately prior to the close of business on the Record Date for such dividend, distribution or issuance

CR1 = the new Conversion Rate in effect immediately following the close of business on the Record Date for such dividend, distribution or issuance

OS0 = the number of shares of Common Stock outstanding immediately prior to the close of business on the Record Date for such dividend, distribution or issuance

X = the total number of shares of Common Stock issuable pursuant to such rights, options or warrants

Y = the number of shares of Common Stock equal to the aggregate price payable to exercise such rights, options or warrants divided by the Current Market Price as of the Record Date for such dividend, distribution or issuance.

For purposes of this clause (ii), in determining whether any rights, options or warrants entitle the holders to purchase the Common Stock at a price per share that is less than the Current Market Price as of the Record Date for such dividend, distribution or issuance, there shall be taken into account any consideration the Company receives for such rights, options or warrants, and any amount payable on exercise thereof, with the value of such consideration, if other than cash, to be the Fair Market Value thereof.

Any adjustment made pursuant to this clause (ii) shall become effective immediately following the close of business on the Record Date for such dividend, distribution or issuance. In the event that such rights, options or warrants are not so issued, the Conversion Rate shall be readjusted, effective as of the date the Board publicly announces its decision not to issue such rights, options or warrants, to the Conversion Rate that would then be in effect if such dividend, distribution or issuance had not been declared. To the extent that such rights, options or warrants are not exercised prior to their expiration or shares of Common Stock are otherwise not delivered pursuant to such rights, options or warrants upon the exercise of such rights, options or warrants, the Conversion Rate shall be readjusted to the Conversion Rate that would then be in effect had the adjustments made upon the dividend, distribution or issuance of such rights, options or warrants been made on the basis of the delivery of only the number of shares of Common Stock actually delivered.

(iii) The Company or one or more of its Subsidiaries purchases Common Stock pursuant to a tender offer or exchange offer (other than an exchange offer that constitutes a Distribution Transaction subject to Section 12(a)(v)) by the Company or a Subsidiary of the Company for all or any portion of the Common Stock, or otherwise acquires Common Stock (except in an open market purchase in compliance with Rule 10b-18 promulgated under the Exchange Act or through an "accelerated share repurchase" on customary terms) (a "Covered Repurchase"), if the cash and value of any other consideration included in the payment per share of Common Stock validly tendered, exchanged or otherwise acquired through a Covered Repurchase exceeds the arithmetic average of the VWAP per share of Common

Stock for each of the ten (10) consecutive full Trading Days commencing on, and including, the Trading Day next succeeding the last day on which tenders or exchanges may be made pursuant to such tender or exchange offer (as it may be amended) or shares of Common Stock are otherwise acquired through a Covered Repurchase (the "Expiration Date"), in which event the Conversion Rate shall be adjusted based on the following formula:

CR1 = CR0 x [(FMV + (SP1 x OS1)) / (SP1 x OS0)]

CR0 = the Conversion Rate in effect immediately prior to the close of business on the Expiration Date

CR1 = the new Conversion Rate in effect immediately after the close of business on the Expiration Date

FMV = the Fair Market Value, on the Expiration Date, of all cash and any other consideration paid or payable for all shares validly tendered or exchanged and not withdrawn, or otherwise acquired through a Covered Repurchase, as of the Expiration Date

OS0 = the number of shares of Common Stock outstanding immediately prior to the last time tenders or exchanges may be made pursuant to such tender or exchange offer (including the shares to be purchased in such tender or exchange offer) or shares are otherwise acquired through a Covered Repurchase

OS1 = the number of shares of Common Stock outstanding immediately after the last time tenders or exchanges may be made pursuant to such tender or exchange offer (after giving effect to the purchase of shares in such tender or exchange offer) or shares are otherwise acquired through a Covered Repurchase

SP1 = the arithmetic average of the VWAP per share of Common Stock for each of the ten (10) consecutive full Trading Days commencing on, and including, the Trading Day next succeeding the Expiration Date

Such adjustment shall become effective immediately after the close of business on the Expiration Date. If an adjustment to the Conversion Rate is required under this Section 12(a)(iii), delivery of any additional shares of Common Stock that may be deliverable upon conversion as a result of an adjustment required under this Section 12(a)(iii) shall be delayed to the extent necessary in order to complete the calculations provided for in this Section 12(a)(iii).

In the event that the Company or any of its Subsidiaries is obligated to purchase Common Stock pursuant to any such tender offer, exchange offer or other commitment to acquire shares of Common Stock through a Covered Repurchase but is permanently prevented by applicable law from effecting any such purchases, or all such purchases are rescinded, then the Conversion Rate shall be readjusted to be the Conversion Rate that would have been then in effect if such tender offer, exchange offer or Covered Repurchase had not been made.

(iv) The Company shall, by dividend or otherwise, distribute to all or substantially all holders of its Common Stock (other than for cash in lieu of fractional shares), shares of any class of its Capital Stock, evidences of its indebtedness, assets, other property or securities, but excluding (A) dividends or distributions referred to in Section 12(a)(i) or Section 12(a)(ii) hereof, (B) Distribution Transactions as to which Section 12(a)(v) shall apply, (C) dividends or distributions paid exclusively in cash as to which Section 12(a)(vi) shall apply and (D) rights, options or warrants distributed in connection with a stockholder rights plan as to which Section 12(a)(vii) shall apply (any of such shares of its Capital Stock, indebtedness, assets or property that are not so excluded are hereinafter called the "Distributed Property"), then, in each such case the Conversion Rate shall be adjusted based on the following formula:

CR1 = CR0 x [SP0 / (SP0 - FMV)]

CR0 = the Conversion Rate in effect immediately prior to the close of business on the Record Date for such dividend or distribution

CR1 = the new Conversion Rate in effect immediately after the close of business on the Record Date for such dividend or distribution

SP0 = the Current Market Price as of the Record Date for such dividend or distribution

FMV = the Fair Market Value of the portion of Distributed Property distributed with respect to each outstanding share of Common Stock on the Record Date for such dividend or distribution; provided that, if FMV is equal or greater than SP0, then in lieu of the foregoing adjustment, the Company shall distribute to each holder of Series A Preferred Stock on the date the applicable Distributed Property is distributed to holders of Common Stock, but without requiring such holder to convert its shares of Series A Preferred Stock, in respect of each share of Series A Preferred Stock held by such holder, the amount of Distributed Property such holder would have received had such holder owned a number of shares of Common Stock equal to the Conversion Rate on the Record Date for such dividend or distribution

Any adjustment made pursuant to this clause (iv) shall be effective immediately after the close of business on the Record Date for such dividend or distribution. If any such dividend or distribution is declared but does not occur, the Conversion Rate shall be readjusted, effective as of the date the Board announces that such dividend or distribution shall not occur, to the Conversion Rate that would then be in effect if such dividend or distribution had not been declared.

(v) The Company effects a Distribution Transaction, in which case the Conversion Rate in effect immediately prior to the effective date of the Distribution Transaction shall be adjusted based on the following formula:

CR1 = CR0 x [(FMV + MP0) / MP0]

CR0 = the Conversion Rate in effect immediately prior to the close of business on the effective date of the Distribution Transaction

CR1 = the new Conversion Rate in effect immediately after the close of business on the effective date of the Distribution Transaction

FMV = the arithmetic average of the volume-weighted average prices for a share of the capital stock or other interest distributed per share of Common Stock to holders of Common Stock on the principal United States securities exchange or automated quotation system on which such capital stock or other interest trades, as reported by Bloomberg (or, if Bloomberg ceases to publish such price, any successor service chosen by the Company) in respect of the period from the open of trading on the relevant Trading Day until the close of trading on such Trading Day (or if such volume-weighted average price is unavailable, the market price of one share of such capital stock or other interest on such Trading Day determined, using a volume-weighted average method, by an Independent Financial Advisor retained for such purpose by the Company), for each of the ten consecutive full Trading Days commencing with, and including, the Trading Day next succeeding the effective date of the Distribution Transaction

MP0 = the arithmetic average of the VWAP per share of Common Stock for each of the ten (10) consecutive full Trading Days commencing on, and including, the Trading Day next succeeding the effective date of the Distribution Transaction

Such adjustment shall become effective immediately following the close of business on the effective date of the Distribution Transaction. If an adjustment to the Conversion Rate is required under this Section 12(a)(v), delivery of any additional shares of Common Stock that may be deliverable upon conversion as a result of an adjustment required under this Section 12(a)(v) shall be delayed to the extent necessary in order to complete the calculations provided for in this Section 12(a)(v).

(vi) The Company makes a cash dividend or distribution to all or substantially all holders of the Common Stock, the Conversion Rate shall be adjusted based on the following formula:

CR1 = CR0 x [SP0 / (SP0 – C)]

CR0 = the Conversion Rate in effect immediately prior to the close of business on the Record Date for such dividend or distribution

CR1 = the new Conversion Rate in effect immediately after the close of business on the Record Date for such dividend or distribution

SP0 = the Current Market Price as of the Record Date for such dividend or distribution

C = the amount in cash per share of Common Stock the Company distributes to all or substantially all holders of its Common Stock; provided that, if C is equal or greater than SP0, then in lieu of the foregoing adjustment, the Company shall pay to each holder of Series A Preferred Stock on the date the applicable cash dividend or distribution is made to holders of Common Stock, but without requiring such holder to convert its shares of Series A Preferred Stock, in respect of each share of Series A Preferred Stock held by such holder, the amount of cash such holder would have received had such holder owned a number of shares of Common Stock equal to the Conversion Rate on the Record Date for such dividend or distribution

Any adjustment made pursuant to this clause (vi) shall be effective immediately after the close of business on the Record Date for such dividend or distribution. If any dividend or distribution is declared but not paid, the Conversion Rate shall be readjusted, effective as of the date the Board announces that such dividend or distribution will not be paid, to the Conversion Rate that would then be in effect if such had dividend or distribution not been declared.

(vii) If the Company has a stockholder rights plan in effect with respect to the Common Stock on any Conversion Date, upon conversion of any shares of the Series A Preferred Stock, Holders of such shares will receive, in addition to the applicable number of shares of Common Stock, the rights under such rights plan relating to such Common Stock, unless, prior to such Conversion Date, the rights have (i) become exercisable or (ii) separated from the shares of Common Stock (the first of such events to occur, a "Trigger Event"), in which case, the Conversion Rate will be adjusted, effective automatically at the time of such Trigger Event, as if the Company had made a distribution of such rights to all holders of the Company Common Stock as described in Section 12(a)(ii) (without giving effect to the forty-five (45) day limit on the exercisability of rights, options or warrants ordinarily subject to such Section 12(a)(ii)), subject to appropriate readjustment in the event of the expiration, termination or redemption of such rights prior to the exercise, deemed exercise or exchange thereof. Notwithstanding the foregoing, to the extent any such stockholder rights are exchanged by the Company for shares of Common Stock or other property or securities, the Conversion Rate shall be appropriately readjusted as if such stockholder rights had not been issued, but the Company had instead issued such shares of Common Stock or other property or securities as a dividend or distribution of shares of Common Stock pursuant to Section 12(a)(i) or Section 12(a)(iv), as applicable.

To the extent that such rights are not exercised prior to their expiration, termination or redemption, the Conversion Rate shall be readjusted to the Conversion Rate that would then be in effect had the adjustments made upon the occurrence of the Trigger Event been made on the basis of the issuance of, and the receipt of the exercise price with respect to, only the number of shares of Common Stock actually issued pursuant to such rights.

Notwithstanding anything to the contrary in this Section 12(a)(vii), no adjustment shall be required to be made to the Conversion Rate with respect to any Holder which is, or is an "affiliate" or "associate" of, an "acquiring person" under such stockholder rights plan or with respect to any direct or indirect transferee of such Holder who receives Series A Preferred Stock in such

transfer after the time such Holder becomes, or its affiliate or associate becomes, such an "acquiring person".

(b) Calculation of Adjustments. All adjustments to the Conversion Rate shall be calculated by the Company to the nearest 1/10,000th of one share of Common Stock (or if there is not a nearest 1/10,000th of a share, to the next lower 1/10,000th of a share). No adjustment to the Conversion Rate will be required unless such adjustment would require an increase or decrease of at least one percent of the Conversion Rate; provided, however, that any such adjustment that is not required to be made will be carried forward and taken into account in any subsequent adjustment; provided, further that any such adjustment of less than one percent that has not been made will be made upon any Conversion Date.

(c) When No Adjustment Required. (i) Except as otherwise provided in this Section 12, the Conversion Rate will not be adjusted for the issuance of Common Stock or any securities convertible into or exchangeable for Common Stock or carrying the right to purchase any of the foregoing, or for the repurchase of Common Stock.

(i) Except as otherwise provided in this Section 12, the Conversion Rate will not be adjusted as a result of the issuance of, the distribution of separate certificates representing, the exercise or redemption of, or the termination or invalidation of, rights pursuant to any stockholder rights plans.

(ii) No adjustment to the Conversion Rate will be made:

(A) upon the issuance of any shares of Common Stock pursuant to any present or future plan providing for the reinvestment of dividends or interest payable on securities of the Company and the investment of additional optional amounts in Common Stock under any plan in which purchases are made at market prices on the date or dates of purchase, without discount, and whether or not the Company bears the ordinary costs of administration and operation of the plan, including brokerage commissions;

(B) upon the issuance of any shares of Common Stock or options or rights to purchase such shares pursuant to any present or future employee, director or consultant benefit plan or program of or assumed by the Company or any of its Subsidiaries or of any employee agreements or arrangements or programs;

(C) except as otherwise provided in this Section 12 upon the issuance of any shares of Common Stock pursuant to any option, warrant, right, or exercisable, exchangeable or convertible security; or

(D) for a change in the par value of the Common Stock.

(d) Successive Adjustments. After an adjustment to the Conversion Rate under this Section 12, any subsequent event requiring an adjustment under this Section 12 shall cause an adjustment to each such Conversion Rate as so adjusted.

(e) Multiple Adjustments. For the avoidance of doubt, if an event occurs that would trigger an adjustment to the Conversion Rate pursuant to this Section 12 under more than one subsection hereof, such event, to the extent fully taken into account in a single adjustment, shall not result in multiple adjustments hereunder; provided, however, that if more than one subsection of this Section 12 is applicable to a single event, the subsection shall be applied that produces the largest adjustment.

(f) Notice of Adjustments. Whenever the Conversion Rate is adjusted as provided under this Section 12, the Company shall as soon as reasonably practicable following the occurrence of an event that requires such adjustment (or if the Company is not aware of such occurrence, as soon as reasonably practicable after becoming so aware):

(i) compute the adjusted applicable Conversion Rate in accordance with this Section 12 and prepare and transmit to the Conversion Agent an Officer's Certificate setting forth the applicable Conversion Rate, the method of calculation thereof, and the facts requiring such adjustment and upon which such adjustment is based; and

(ii) provide a written notice to the Holders of the occurrence of such event and a statement in reasonable detail setting forth the method by which the adjustment to the applicable Conversion Rate was determined and setting forth the adjusted applicable Conversion Rate.

(g) Conversion Agent. The Conversion Agent shall not at any time be under any duty or responsibility to any Holder to determine whether any facts exist that may require any adjustment of the Conversion Rate or with respect to the nature or extent or calculation of any such adjustment when made, or with respect to the method employed in making the same. The Conversion Agent shall be fully authorized and protected in relying on any Officer's Certificate delivered pursuant to Section 12(f) and any adjustment contained therein and the Conversion Agent shall not be deemed to have knowledge of any adjustment unless and until it has received such certificate. The Conversion Agent shall not be accountable with respect to the validity or value (or the kind or amount) of any shares of Common Stock, or of any securities or property, that may at the time be issued or delivered with respect to any Series A Preferred Stock and the Conversion Agent makes no representation with respect thereto. The Conversion Agent shall not be responsible for any failure of the Company to issue, transfer or deliver any shares of Common Stock pursuant to the conversion of Series A Preferred Stock or to comply with any of the duties, responsibilities or covenants of the Company contained in this Section 12.

(h) Fractional Shares. The Company shall not issue any fractional share of Common Stock upon conversion or redemption, as the case may be, of shares of Series A Preferred Stock and shall instead pay cash in lieu of delivering any fractional share of Common Stock issuable upon conversion or redemption, as the case may be, based on the Daily VWAP for the relevant Conversion Date (in the case of Physical Settlement) or based on the Daily VWAP for the last Trading Day of the relevant Observation Period (in the case of Combination Settlement). For each share of Series A Preferred Stock surrendered for conversion or redemption, if the Company has elected Combination Settlement, the full number of shares that shall be issued upon conversion thereof shall be computed on the basis of the aggregate Daily Settlement Amounts for the relevant

Observation Period and any fractional shares remaining after such computation shall be paid in cash.

SECTION 13. Adjustment for Reorganization Events.

(a) Reorganization Events. In the event of:

(i) any reclassification, statutory exchange, merger, consolidation or other similar business combination of the Company with or into another Person, in each case, pursuant to which at least a majority of the Common Stock (but not the Series A Preferred Stock) is changed or converted into, or exchanged for, cash, securities or other property of the Company or another Person;

(ii) any sale, transfer, lease or conveyance to another Person of all or a majority of the property and assets of the Company, in each case pursuant to which the Common Stock (but not the Series A Preferred Stock) is converted into cash, securities or other property; or

(iii) any statutory exchange of securities of the Company with another Person (other than in connection with a merger or acquisition) or reclassification, recapitalization or reorganization of the Common Stock (but not the Series A Preferred Stock) into other securities; (each of which is referred to as a "Reorganization Event"),

then each share of Series A Preferred Stock outstanding immediately prior to such Reorganization Event will, without the consent of the Holders and subject to Section 13(d), remain outstanding but shall become convertible into, out of funds legally available therefor, the number, kind and amount of securities, cash and other property (the "Exchange Property") (without any interest on such Exchange Property and without any right to dividends or distribution on such Exchange Property which have a record date that is prior to the applicable Conversion Date) that the Holder of such share of Series A Preferred Stock would have received in such Reorganization Event had such Holder converted its shares of Series A Preferred Stock into the applicable number of shares of Common Stock immediately prior to the effective date of the Reorganization Event using the Conversion Rate applicable immediately prior to the effective date of the Reorganization Event and the Accrued Amount applicable at the time of such subsequent conversion; provided that the foregoing shall not apply if such Holder is a Person with which the Company consolidated or into which the Company merged or which merged into the Company or to which such sale or transfer was made, as the case may be (any such Person, a "Constituent Person"), or an Affiliate of a Constituent Person, to the extent such Reorganization Event provides for different treatment of Common Stock held by such Persons. If the kind or amount of securities, cash and other property receivable upon such Reorganization Event is not the same for each share of Common Stock held immediately prior to such Reorganization Event by a Person (other than a Constituent Person or an Affiliate thereof), then for the purpose of this Section 13(a), the kind and amount of securities, cash and other property receivable upon conversion following such Reorganization Event will be deemed to be the weighted average of the types and amounts of consideration received by the holders of Common Stock.

(b) Successive Reorganization Events. The above provisions of this Section 13 shall similarly apply to successive Reorganization Events and the provisions of Section 12 shall apply to any shares of Capital Stock received by the holders of the Common Stock in any such Reorganization Event.

(c) Reorganization Event Notice. The Company (or any successor) shall, no less than thirty (30) days prior to the anticipated effective date of any Reorganization Event, provide written notice to the Holders of such occurrence of such event and of the kind and amount of the cash, securities or other property that constitutes the Exchange Property. Failure to deliver such notice shall not affect the operation of this Section 13.

(d) Reorganization Event Agreements. The Company shall not enter into any agreement for a transaction constituting a Reorganization Event unless (i) such agreement provides for or does not interfere with or prevent (as applicable) conversion of the Series A Preferred Stock into the Exchange Property in a manner that is consistent with and gives effect to this Section 13, and (ii) to the extent that the Company is not the surviving corporation in such Reorganization Event or will be dissolved in connection with such Reorganization Event, proper provision shall be made in the agreements governing such Reorganization Event for the conversion of the Series A Preferred Stock into stock of the Person surviving such Reorganization Event or such other continuing entity in such Reorganization Event.

(e) Change of Control. For sake of clarity, if a Reorganization Event constitutes a Change of Control, then Section 8 shall take precedence over this Section 13.

SECTION 14. Voting Rights.

(a) General. Except as provided in and subject to Section 14(b), Section 14(e) and Section 15, Holders of shares of Series A Preferred Stock shall be entitled to vote as a single class with the holders of the Common Stock and the holders of any other class or series of Capital Stock of the Company then entitled to vote with the Common Stock on all matters submitted to a vote of the holders of Common Stock (and, if applicable, holders of any other class or series of Capital Stock of the Company). Each Holder shall be entitled to the number of votes equal to the largest number of whole shares of Common Stock into which all shares of Series A Preferred Stock held of record by such Holder could then be converted pursuant to Section 6 (and prior to the receipt of Shareholder Approval, subject to the limitations on conversion specified in the last proviso of the second to last sentence of Section 6(a)) at the record date for the determination of stockholders entitled to vote or consent on such matters or, if no such record date is established, at the date such vote or consent is taken or any written consent of stockholders is first executed. The Holders shall be entitled to notice of any meeting of holders of Common Stock in accordance with the Bylaws of the Company.

(b) Series A Approval Rights. From and after the Initial Closing, the vote or consent of the Holders of at least a majority of the shares of Series A Preferred Stock outstanding at such time, voting together as a separate class, given in person or by proxy, either in writing without a meeting or by vote at any meeting called for the purpose, will be necessary for effecting or

validating any of the following actions, whether or not such approval is required pursuant to the DGCL:

(i) any amendment, alteration or repeal (whether by merger, consolidation or otherwise) of any provision of the Charter (including this Certificate of Designations) or Bylaws that would have an adverse effect on the rights, preferences, privileges or voting power of the Series A Preferred Stock or the Holder thereof;

(ii) any amendment or alteration (whether by merger, consolidation or otherwise) of the Charter or any provision thereof, or any other action to authorize, create or classify, or increase the number of authorized or issued shares of, or any securities convertible into shares of, or reclassify any security into, or issue, any additional Series A Preferred Stock, any Parity Stock or any Senior Stock; or

(iii) the incurrence of additional indebtedness for borrowed money if, as a result thereof, the Company's Consolidated Funded Indebtedness would exceed (i) $500 million and (ii) commencing in any year in which the Company generates positive Consolidated EBITDA, three (3) times Consolidated EBITDA of the Company for the four quarter period for which financial statements are publicly available ending prior to the incurrence of such indebtedness for borrowed money.

Notwithstanding the foregoing, if the Fall-Away of Purchaser Board Rights has occurred, the Holders of Series A Preferred Stock shall no longer have the right to approve the matters set forth in clauses (ii) or (iii) above. For purposes of this Section 14(b), the filing in accordance with applicable law of a certificate of designations or any similar document setting forth or changing the designations, preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends and other distributions, qualifications or other terms of any class or series of stock of the Company shall be deemed an amendment to the Charter.

(c) Class Voting. Each Holder of Series A Preferred Stock will have one vote per share on any matter on which Holders of Series A Preferred Stock are entitled to vote separately as a class, whether at a meeting or by written consent.

(d) Written Consents. The Holders of Series A Preferred Stock may take action or consent to any action with respect to such rights without a meeting by delivering a consent in writing or by electronic transmission of the Holders of the Series A Preferred Stock entitled to cast not less than the minimum number of votes that would be necessary to authorize, take or consent to such action at a meeting of stockholder.

(e) Voting Rights and Additional Closing. Notwithstanding the foregoing:

(i) no Holder prior to the Additional Closing shall be entitled to any voting rights set forth in Section 14(a); and

(ii) if the Investment Agreement is terminated prior to the Additional Closing having occurred, each Holder shall be entitled to the voting rights set forth in Section 14

(a) from and following such time as all then Holders shall have received Regulatory Approval or are otherwise permitted under the HSR Act to exercise or obtain such voting rights without obtaining Regulatory Approval.

SECTION 15. Election of Directors. Provided that the Fall-Away of Purchaser Board Rights has not occurred, at each annual meeting of the Company's stockholders after the Additional Closing the Holders (or any other meeting of the Company's stockholder voting on the election of members of the Board) of a majority of the then outstanding shares of Series A Preferred Stock shall have the exclusive right, voting separately as a class, to elect three Purchaser Designees to the Board (or, after the earlier to occur of (i) the date that is the second anniversary of the Additional Closing Date and (ii) the first date on which the 75% Beneficial Owner Test is not met, two Purchaser Designees for election to the Board at such meeting).

SECTION 16. Transfer Agent, Conversion Agent, Registrar and Paying Agent . The duly appointed Transfer Agent, Conversion Agent, Registrar and paying agent for the Series A Preferred Stock shall be Computershare, Inc. The Company may, in its sole discretion, appoint any other Person to serve as Transfer Agent, Conversion Agent, Registrar or paying agent for the Series A Preferred Stock and thereafter may remove or replace such other Person at any time. Upon any such appointment or removal, the Company shall send notice thereof by first class mail, postage prepaid, to the Holders.

SECTION 17. Replacement Certificates. If physical certificates evidencing the Series A Preferred Stock are issued, the Company shall replace any mutilated certificate at the Holder's expense upon surrender of that certificate to the Transfer Agent. The Company shall replace certificates that become destroyed, stolen or lost at the Holder's expense upon delivery to the Company and the Transfer Agent of satisfactory evidence that the certificate has been destroyed, stolen or lost, together with any indemnity that may be required by the Transfer Agent and the Company.

SECTION 18. Taxes.

(a) Transfer Taxes . The Company shall pay any and all stock transfer, documentary, stamp and similar taxes that may be payable in respect of any issuance or delivery of shares of Series A Preferred Stock or shares of Common Stock or other securities issued on account of Series A Preferred Stock pursuant hereto or certificates representing such shares or securities. The Company shall not, however, be required to pay any such tax that may be payable in respect of any transfer involved in the issuance or delivery of shares of Series A Preferred Stock, shares of Common Stock or other securities to a beneficial owner other than the beneficial owner of the of Series A Preferred Stock immediately prior to such conversion, and shall not be required to make any such issuance, delivery or payment unless and until the Person otherwise entitled to such issuance, delivery or payment has paid to the Company the amount of any such tax or has established, to the satisfaction of the Company, that such tax has been paid or is not payable.

(b) Withholding. All payments and distributions (or deemed distributions) on the shares of Series A Preferred Stock (and on the shares of Common Stock received upon their conversion) shall be subject to withholding and backup withholding of taxes to the extent required by law, subject to applicable exemptions, and amounts withheld, if any, shall be treated as received by the Holders.

SECTION 19. Notices. All notices referred to herein shall be in writing and, unless otherwise specified herein, all notices hereunder shall be deemed to have been given upon the earlier of receipt thereof or three (3) Business Days after the mailing thereof if sent by registered or certified mail (unless first class mail shall be specifically permitted for such notice under the terms of this Certificate of Designations) with postage prepaid, addressed: (i) if to the Company, to its office at Pandora Media, Inc., 2101 Webster Street, Suite 1650, Oakland, CA 94612 (Attention: General Counsel), (ii) if to any Holder, to such Holder at the address of such Holder as listed in the stock record books of the Company (which may include the records of the Transfer Agent) or (iii) to such other address as the Company or any such Holder, as the case may be, shall have designated by notice similarly given.

SECTION 20. Facts Ascertainable. When the terms of this Certificate of Designations refer to a specific agreement or other document to determine the meaning or operation of a provision hereof, the Secretary of the Company shall maintain a copy of such agreement or document at the principal executive offices of the Company and a copy thereof shall be provided free of charge to any Holder who makes a request therefor. The Secretary of the Company shall also maintain a written record of the Issuance Date, the number of shares of Series A Preferred Stock issued to a Holder and the date of each such issuance, and shall furnish such written record free of charge to any Holder who makes a request therefor.

SECTION 21. Waiver. Notwithstanding any provision in this Certificate of Designations to the contrary, any provision contained herein and any right of the Holders of Series A Preferred Stock granted hereunder may be waived as to all shares of Series A Preferred Stock (and the Holders thereof) upon the written consent of the Holders of a majority of the shares of Series A Preferred Stock then outstanding.

SECTION 22. Severability. If any term of the Series A Preferred Stock set forth herein is invalid, unlawful or incapable of being enforced by reason of any rule of law or public policy, all other terms set forth herein which can be given effect without the invalid, unlawful or unenforceable term will, nevertheless, remain in full force and effect, and no term herein set forth will be deemed dependent upon any other such term unless so expressed herein.

SECTION 23. Transfer Restriction. Shares of Series A Preferred Stock may not be Transferred to any Person that is not a United States person within the meaning of Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended, or any successor provision thereof. Any attempted Transfer in violation of this Section 23 shall be null and void *ab initio.*

[*Signature Page Follows*]

RESOLVED, FURTHER, that the Chairman, the president or any vice-president, and the secretary or any assistant secretary, of the Company be and they hereby are authorized and directed to prepare and file this Certificate of Designation of Preferences, Rights and Limitations in accordance with the foregoing resolution and the provisions of Delaware law.

IN WITNESS WHEREOF, the undersigned have executed this Certificate this 9th day of June, 2017.

PANDORA MEDIA, INC.

By: /s/ Stephen Bené

Name: Stephen Bené

Title: General Counsel and Corporate Secretary

FIRST AMENDMENT
TO
INVESTMENT AGREEMENT

THIS FIRST AMENDMENT TO INVESTMENT AGREEMENT (this "Amendment") is entered into as of June 8, 2017, by and among Pandora Media, Inc., a Delaware corporation (the "Company"), and KKR Classic Investors L.P. (formerly known as KKR Classic Investors LLC) (the "Lead Purchasers").

WHEREAS, the Company and the Purchasers are parties to that certain Investment Agreement, dated as of May 8, 2017 (the "Investment Agreement");

WHEREAS, all capitalized terms not otherwise defined herein shall have the same definition as in the Investment Agreement; and

WHEREAS, the Company and the Lead Purchasers desire to amend the Investment Agreement in the manner set forth below.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants set forth in this Amendment, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Lead Purchasers hereby agree as follows:

1. **Amendment**. The Investment Agreement is amended as follows:

(a) Amendment to Section 1.01. The definition of "Purchasers" is hereby amended and replaced in its entirety with the following:

"Purchasers" means the Lead Purchasers, Prisma Classic Holdings LLC and the other Persons who become a party hereto as a Purchaser pursuant to Section 2.03, each of which shall be a "Purchaser".

(b) Amendment to Section 2.02. Section 2.02(a)(i) of the Investment Agreement is hereby amended by deleting "June 8, 2017" and replacing it with "June 9, 2017."

(c) Amendment to Section 6.04. Section 6.04 is hereby amended by (a) deleting "30 days" and replacing it with "32 days" and (b) deleting "$15,000,000" and replacing it with "$22,500,000."

(d) Amendment to Section 7.01. Section 7.01 of the Investment Agreement is hereby amended to add the following:

"(f) by the Company if the Company shall have determined to accept a minority investment from a strategic party; provided that the Company shall have

delivered to the Purchasers written notice of its intent to terminate this Agreement hereunder no later than 8:00 a.m. (New York City Time) on June 9, 2017. Upon delivery of such notice the Company shall pay to KKR Classic Investors L.P. or its designees a fee equal to $22,500,000 no later than close of business on June 9, 2017."

(e) Amendment to Section 8.06. Section 8.06 of the Investment Agreement is hereby amended and replaced in its entirety with the following:

"(a) This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York pursuant to Section 5-1401 of the New York General Obligations Law.

(b) All Actions arising out of or relating to this Agreement shall be subject to the exclusive jurisdiction of any state or federal court sitting in the State of New York in the borough of Manhattan and any appellate court thereof and the parties hereto hereby irrevocably submit to the exclusive jurisdiction and venue of such courts in any such Action and irrevocably waive the defense of an inconvenient forum or lack of jurisdiction to the maintenance of any such Action. The consents to jurisdiction and venue set forth in this Section 8.06 shall not constitute general consents to service of process in the State of New York and shall have no effect for any purpose except as provided in this paragraph and shall not be deemed to confer rights on any Person other than the parties hereto. Each party hereto agrees that service of process upon such party in any Action arising out of or relating to this Agreement shall be effective if notice is given by overnight courier at the address set forth in Section 8.10 of this Agreement. The parties hereto agree that a final judgment in any such Action shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable Law; provided, however, that nothing in the foregoing shall restrict any party's rights to seek any post-judgment relief regarding, or any appeal from, a final trial court judgment."

2. **Waiver of HSR**. The Company and the Lead Purchasers hereby agree that (i) all requirements with respect to the filing of the HSR Form (including without limitation, all such requirements set forth in Section 5.02(b) and (c) of the Investment Agreement) and (ii) the condition to the obligations of the Company and the Purchasers set forth in Section 6.01(b) of the Investment Agreement are each hereby waived. For the avoidance of doubt, no party to the Investment Agreement shall have any liability to any other party with respect to the failure to file the HSR Form, and the obligations of the Company and the Purchasers shall not be subject to the expiration or early termination of the waiting period under the HSR Act.

3. **Waiver of 4.01.** The Company hereby agrees that the requirement that the Lead Purchasers be of the type of entity set forth on the signature pages to the Investment Agreement is hereby waived.

4. **Integration**. The provisions set forth in this Amendment shall be deemed to be and shall be construed as part of the Investment Agreement to the same extent as if fully set forth verbatim therein, and this Amendment shall be binding on all Purchasers who become a party to the Investment Agreement pursuant to Section 2.03 thereof. Except to the extent expressly modified hereby, the provisions of the Investment Agreement remain unmodified and are hereby confirmed as being in full force and effect. All references to the Investment Agreement in the Investment Agreement shall be deemed to refer to the Investment Agreement as amended hereby.

5 . **Standstill**. For the avoidance of doubt and notwithstanding anything to the contrary contained in the Investment Agreement, none of the provisions contained in Section 5.07 shall apply to any Permitted Transferee of the Lead Purchasers that is a Permitted Transferee pursuant to clause (v) of the definition thereof.

6. **Miscellaneous.** This Amendment may be executed in counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute one instrument. The exchange of a fully executed Amendment (in counterparts or otherwise) by electronic transmission in .PDF format or by facsimile shall be sufficient to bind the parties to the terms and conditions of this Amendment. No modification of or amendment to this Amendment, nor any waiver of any rights under this Amendment, will be effective unless in writing signed by the duly authorized representatives of all parties hereto, and the waiver of any breach or default will not constitute a waiver of any other right hereunder or any subsequent breach or default. This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York pursuant to Section 5-1401 of the New York General Obligations Law. Each party shall bear and pay its own fees, costs and expenses in connection with the negotiation, preparation and review of this Amendment.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the date first above written.

PANDORA MEDIA, INC.

By: /s/ Stephen Bené

Name: Stephen Bené

Title: General Counsel and Corporate Secretary

KKR CLASSIC INVESTORS L.P.

By: /s/ Nicole Macarchuk

Name: Nicole Macarchuk

Title: Authorized Signatory

PRISMA CLASSIC HOLDINGS LLC

By Prisma Capital Partners LP, its Manager

By: /s/ Kenneth Eagle

Name: Kenneth Eagle

Title: Chief Financial Officer

June 9, 2017

By E-Mail

KKR Classic Investors L.P.
c/o KKR Credit Advisors (US) LLC
555 California Street, 50th Floor
San Francisco, CA 94104
Attention: General Counsel
Facsimile (415) 391-3077
Email: kkrcreditlegal@kkr.com

RE: NOTICE OF TERMINATION OF INVESTMENT AGREEMENT

Ladies and Gentlemen:

Reference is hereby made to the Investment Agreement, dated as of May 8, 2017, by and among Pandora Media, Inc. (the "Company"), KKR Classic Investors L.P. (previously known as KKR Classic Investors LLC) ("KKR"), and the other parties that become Purchasers thereunder (as amended by that certain First Amendment dated as of June 8, 2017, the "Investment Agreement"). Capitalized terms used but not defined in this letter shall have the meanings given them in the Investment Agreement.

In accordance with Section 7.01(f) of the Investment Agreement, the Company hereby notifies the Purchasers of the Company's intent to terminate the Investment Agreement in connection with the Company's determination to accept a minority investment from a strategic party. The Company will pay to KKR or its designees the fee of $22,500,000 by the close of business today, in accordance with wire instructions to be provided by KKR. Upon delivery of this letter, the Investment Agreement is hereby terminated and, subject to Section 7.02 of the Investment Agreement, shall be of no further force and effect.

[*Signature Pages Follows*]

Very truly yours,

PANDORA MEDIA, INC.

By: /s/ Stephen Bené

Name: Stephen Bené

Title: General Counsel and Corporate Secretary

cc:

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, NY 06902
Attention: Monica K. Thurmond, Esq.
Facsimile: (212) 492-0055
Email: mthurmond@paulweiss.com

Sidley Austin LLP
1001 Page Mill Road
Building 1
Palo Alto, California 94304
Attention: Martin Wellington, Esq.
Facsimile: (650) 565-7100
Email: mwellington@sidley.com

Sidley Austin LLP
1999 Avenue of the Stars
17th Floor
Los Angeles, California 90067
Attention: Stephen Blevit, Esq.
Facsimile: (310) 595-9501
Email: sblevit@sidley.com

Execution Version

INVESTMENT AGREEMENT

by and between

PANDORA MEDIA, INC.,

and

SIRIUS XM RADIO INC.

Dated as of June 9, 2017

TABLE OF CONTENTS

INVESTMENT AGREEMENT, dated as of June 9, 2017 (this "Agreement"), by and between Pandora Media, Inc., a Delaware corporation (the "Company"), and Sirius XM Radio Inc., a Delaware corporation (the "Purchaser").

WHEREAS, the Company desires to issue, sell and deliver to the Purchaser, and the Purchaser desires to purchase and acquire from the Company, pursuant to the terms and conditions set forth in this Agreement, up to 480,000 shares of the Company's Series A Convertible Preferred Stock, par value $0.0001 per share (the "Series A Preferred Stock"), having the designation, preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends, qualifications and terms and conditions, as specified in the form of Certificate of Designations attached hereto as Annex I (the "Certificate of Designations");

NOW, THEREFORE, in consideration of the mutual covenants, representations, warranties and agreements contained in this Agreement, the receipt and sufficiency of which are hereby acknowledged, the parties to this Agreement hereby agree as follows:

ARTICLE I

Definitions

Section 1.01 Definitions. (a) As used in this Agreement (including the recitals hereto), the following terms shall have the following meanings:

"50% Beneficial Ownership Test" means that the Purchaser and its Permitted Transferees continue to beneficially own at all times shares of Series A Preferred Stock and/or shares of Common Stock that were issued upon conversion of shares of Series A Preferred Stock that represent in the aggregate and on an as converted basis, at least 50% of the number of shares of Common Stock issuable upon conversion of the Series A Preferred Stock purchased by the Purchaser under this Agreement at the Initial Closing and, following the Additional Closing, purchased by the Purchaser under this Agreement at the Additional Closing.

"75% Beneficial Ownership Test" means that the Purchaser and its Permitted Transferees continue to beneficially own at all times shares of Series A Preferred Stock and/or shares of Common Stock that were issued upon conversion of shares of Series A Preferred Stock that represent in the aggregate and on an as converted basis, at least 75% of the number of shares of Common Stock issuable upon conversion of the Series A Preferred Stock purchased by the Purchaser under this Agreement at the Initial Closing and, following the Additional Closing, purchased by the Purchaser under this Agreement at the Additional Closing.

"Affiliate" means, as to any Person, any other Person that, directly or indirectly, controls, or is controlled by, or is under common control with, such Person; provided, however, that (i) the Company and its Subsidiaries shall not be deemed to be Affiliates of the Purchaser or any of its Affiliates and (ii) none of the Specified Persons will be treated as an Affiliate of Purchaser or any of its Subsidiaries or any of their respective Affiliates for any purpose hereunder. For this purpose, "control" (including, with its correlative meanings, "controlled by" and "under common control

with") shall mean the possession, directly or indirectly, of the power to direct or cause the direction of management or policies of a Person, whether through the ownership of securities or partnership or other ownership interests, by contract or otherwise.

"Applicable Standstill Period" means (1) with respect to Section 5.07(a) (and Sections 5.07(e) through (j) to the extent such provisions relate to Section 5.07(a)) the period beginning on the Initial Closing Date and ending on the date that is eighteen months after the Initial Closing Date, (2) with respect to Section 5.07(b) (and Sections 5.07(e) through (j) to the extent such provisions relate to Section 5.07(b)) the period beginning on the Initial Closing Date and ending on the later of (x) the second anniversary of the Additional Closing Date or (y) the date that all Purchaser Directors resign from and are no longer serving on the Board and (3) with respect to Sections 5.07(c) and (d) (and Sections 5.07(e) through (j) to the extent such provisions relate to Sections 5.07(c) and (d)) the period beginning on the Initial Closing Date and ending on the date that is the second anniversary of the Additional Closing Date (or if this Agreement is terminated prior to the Additional Closing, the second anniversary of the Initial Closing Date).

"as converted basis" means (i) with respect to the outstanding shares of Common Stock as of any date, all outstanding shares of Common Stock calculated on a basis in which all shares of Common Stock issuable upon conversion of the outstanding shares of Series A Preferred Stock (at the Conversion Rate in effect on such date as set forth in the Certificate of Designations) are assumed to be outstanding as of such date and (ii) with respect to any outstanding shares of Series A Preferred Stock as of any date, the number of shares of Common Stock issuable upon conversion of such shares of Series A Preferred Stock on such date (at the Conversion Rate in effect on such date as set forth in the Certificate of Designations).

Any Person shall be deemed to "beneficially own", to have "beneficial ownership" of, or to be "beneficially owning" any securities (which securities shall also be deemed "beneficially owned" by such Person) that such Person is deemed to "beneficially own" within the meaning of Rules 13d-3 and 13d-5 under the Exchange Act; provided that any Person shall be deemed to beneficially own any securities that such Person has the right to acquire, whether or not such right is exercisable immediately (including assuming conversion of all Series A Preferred Stock, if any, owned by such Person to Common Stock).

"Board" means the Board of Directors of the Company.

"Business Day" means any day except a Saturday, a Sunday or other day on which the SEC or banks in the City of New York are authorized or required by Law to be closed.

"Capital Stock" means, with respect to any Person, any and all shares of, interests in, rights to purchase, warrants to purchase, options for, participations in or other equivalents of or interests in (however designated) stock issued by such Person.

"Closing" means the Initial Closing or the Additional Closing, as applicable.

"Closing Date" means the Initial Closing Date or the Additional Closing Date, as applicable.

"Code" means the United States Internal Revenue Code of 1986, as amended.

"Common Equity" of any Person means Capital Stock of such Person that is generally entitled (a) to vote in the election of directors of such Person or (b) if such Person is not a corporation, to vote or otherwise participate in the selection of the governing body, partners, managers or others that will control the management or policies of such Person.

"Common Stock" means the common stock, par value $0.0001 per share, of the Company.

"Company Charter Documents" means the Company's charter and bylaws, each as amended to the date of this Agreement, and shall include the Certificate of Designations, when filed with and accepted for record by the DSS.

"Company Plan" means each plan, program, policy, agreement or other arrangement covering current or former employees, directors or consultants, that is (i) an employee welfare plan within the meaning of Section 3(1) of ERISA, (ii) an employee pension benefit plan within the meaning of Section 3(2) of ERISA, other than any plan which is a "multiemployer plan" (as defined in Section 4001(a)(3) of ERISA), (iii) a stock option, stock purchase, stock appreciation right or other stock-based agreement, program or plan, (iv) an individual employment, consulting, severance, retention or other similar agreement or (v) a bonus, incentive, deferred compensation, profit-sharing, retirement, post-retirement, vacation, severance or termination pay, benefit or fringe-benefit plan, program, policy, agreement or other arrangement, in each case that is sponsored, maintained or contributed to by the Company or any of its Subsidiaries or to which the Company or any of its Subsidiaries contributes or is obligated to contribute to or has or may have any liability, other than any plan, program, policy, agreement or arrangement sponsored and administered by a Governmental Authority.

"Company MSU" means a restricted stock unit of the Company subject to vesting conditions based on the total stockholder return of the Company's common stock against that of the Russell 2000 Index.

"Company PSU" means a restricted stock unit of the Company subject to performance-based vesting conditions.

"Company Restricted Share" means a share of Common Stock that is subject to forfeiture conditions.

"Company Stock Option" means an option to purchase shares of Common Stock.

"Company Stock Plans" means the Company's 2000 Stock Incentive Plan, 2004 Stock Plan and the 2011 Equity Incentive Plan, in each case as amended.

"Conversion Rate" has the meaning set forth in the Certificate of Designations.

"Conversion Shares" means shares of Common Stock issuable upon conversion of the Series A Preferred Stock.

"Credit Agreement" means the Amendment and Restatement Agreement to Credit Agreement, as previously amended and restated as of September 12, 2013, among the Company, the Lenders party thereto and JPMorgan Chase Bank, N.A. as Administrative Agent, dated as of December 21, 2015.

"DGCL" means the Delaware General Corporation Law, as amended, supplemented or restated from time to time.

"DSS" means Delaware Secretary of State, Division of Corporations.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"Fall-Away of Purchaser Board Rights" means the first day on which the 50% Beneficial Ownership Test is not satisfied.

"Fair Market Value" means, with respect to any security or other property, the fair market value of such security or other property as reasonably determined in good faith by a majority of the Board, or an authorized committee thereof, (i) after consultation with an Independent Financial Advisor, as to any security or other property with a Fair Market Value of less than $25,000,000, or (ii) otherwise using an Independent Financial Advisor to provide a valuation opinion.

"Fundamental Change" shall be deemed to have occurred at the time after the Initial Closing Date if any of the following occurs:

(a) a "person" or "group" within the meaning of Section 13(d) of the Exchange Act, other than the Company, its Wholly-owned Subsidiaries and the employee benefit plans of the Company and its Wholly-Owned Subsidiaries, files a Schedule TO or any schedule, form or report under the Exchange Act disclosing that such person or group, has become the direct or indirect "beneficial owner," as defined in Rule 13d-3 under the Exchange Act, of the Company's Common Equity representing more than 50% of the voting power of the Company's Common Equity;

(b) the consummation of (A) any recapitalization, reclassification or change of the Common Stock (other than changes resulting from a subdivision or combination) as a result of which the Common Stock would be converted into, or exchanged for, stock, other securities, other property or assets; (B) any share exchange, consolidation or merger of the Company pursuant to which the Common Stock will be converted into cash, securities or other property or assets; or (C) any sale, lease or other transfer in one transaction or a series of transactions of all or substantially all of the consolidated assets of the Company and its Subsidiaries, taken as a whole, to any Person other than one of the Company's Wholly-Owned Subsidiaries; *provided*, *however*, that a transaction described in clause (B) in which the holders of all classes of the Company's Common Equity immediately prior to such transaction own, directly or indirectly, more than 50% of all classes of Common Equity of the continuing or surviving corporation or transferee or the parent thereof immediately after such transaction in substantially the same proportions as such ownership

immediately prior to such transaction shall not be a Fundamental Change pursuant to this clause (b);

(c) the stockholders of the Company approve any plan or proposal for the liquidation or dissolution of the Company;

(d) the occurrence of any "change in control" or "fundamental change" (or any similar event, however denominated) with respect to the Company under and as defined in any indenture, credit agreement or other agreement or instrument evidencing, governing the rights of the holders or otherwise relating to any indebtedness for borrowed money of the Company in an aggregate principal amount of $2,000,000 or more or any other series of preferred equity interests; or

(e) the Common Stock (or other common stock underlying the Series A Preferred Stock) ceases to be listed or quoted on any of The New York Stock Exchange, The NASDAQ Global Select Market or The NASDAQ Global Market (or any of their respective successors);

provided, however, that a transaction or transactions described in clause (a) or clause (b) above shall not constitute a Fundamental Change if at least 90% of the consideration received or to be received by the common stockholders of the Company, excluding cash payments for fractional shares, in connection with such transaction or transactions consists of shares of common stock that are listed or quoted on any of The New York Stock Exchange, The NASDAQ Global Select Market or The NASDAQ Global Market (or any of their respective successors) or will be so listed or quoted when issued or exchanged in connection with such transaction or transactions and as a result of such transaction or transactions the shares of Series A Preferred Stock become convertible into such consideration, excluding cash payments for fractional shares (subject to the provisions of Section 13 of the Certificate of Designations).

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

"Governmental Authority" means any government, court, regulatory or administrative agency, commission, arbitrator or authority or other legislative, executive or judicial governmental entity (in each case including any self-regulatory organization), whether federal, state or local, domestic, foreign or multinational.

"HSR Act" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder.

"Indenture" means the 1.75% Convertible Senior Notes Indenture, dated December 9, 2015, between the Company and Citibank, N.A, as trustee.

"Independent Financial Advisor" means an accounting, appraisal, investment banking firm or consultant of nationally recognized standing selected by the Company.

"Intellectual Property" means any of the following, as they exist anywhere in the world, whether registered or unregistered: (a) patents, patentable inventions and other patent rights; (b) trademarks, service marks, trade dress, trade names, domain names, logos and corporate names and all goodwill related thereto; (c) copyrights; (d) trade secrets, know-how, inventions, algorithms, databases, confidential business information and other proprietary information and rights; (e) computer software programs; and (f) other technology and intellectual property rights.

"Knowledge" means, with respect to the Company, the actual knowledge of the individuals listed on Section 1.01 of the Company Disclosure Letter, after reasonable inquiry of an officer or employee of the Company that has primary responsibility for such matter.

"Liens" means any mortgage, pledge, lien, charge, adverse ownership claim, encumbrance, security interest or other restriction of any kind or nature, whether based on common law, statute or contract.

"Material Adverse Effect" means any effect, change, event or occurrence that has or would reasonably be expected to have, individually or in the aggregate, (x) a material adverse effect on the business, results of operations, assets or condition (financial or otherwise) of the Company and its Subsidiaries, taken as a whole or (y) would prevent, materially delay or materially impede (i) the ability of the Company to consummate the Transactions on a timely basis, (ii) the ability of the Company to comply with its obligations under this Agreement or (iii) the enforceability of the Certificate of Designations; provided, however, that, for purposes of clause (x) above, none of the following, and no effect, change, event or occurrence arising out of, or resulting from, the following, shall constitute or be taken into account in determining whether a Material Adverse Effect has occurred or would reasonably be expected to occur: any effect, change, event or occurrence (A) generally affecting (1) the industry in which the Company and its Subsidiaries operate or (2) the economy, credit or financial or capital markets, in the United States or elsewhere in the world, including changes in interest or exchange rates, or (B) to the extent arising out of, resulting from or attributable to (1) changes or prospective changes in Law or in GAAP or in accounting standards, or any changes or prospective changes in the interpretation or enforcement of any of the foregoing, or any changes or prospective changes in general legal, regulatory or political conditions, (2) the negotiation, execution or announcement of this Agreement or the consummation of the Transactions, including the impact thereof on relationships, contractual or otherwise, with customers, suppliers, distributors, partners, employees or regulators, or any claims or litigation arising from allegations of breach of fiduciary duty or violation of Law relating to this Agreement or the Transactions, (3) acts of war (whether or not declared), sabotage or terrorism, or any escalation or worsening of any such acts of war (whether or not declared), sabotage or terrorism, (4) volcanoes, tsunamis, pandemics, earthquakes, hurricanes, tornados or other natural disasters, (5) any action taken by the Company or its Subsidiaries that is required by this Agreement or with the Purchaser's express written consent or at the Purchaser's express written request, (6) any change resulting or arising from the identity of, or any facts or circumstances relating to, the Purchaser or any of its Affiliates, (7) any change or prospective change in the Company's credit ratings, (8) any decline in the market price, or change in trading volume, of the capital stock of the Company or (9) any failure to meet any internal or public projections, forecasts, guidance, estimates, milestones, budgets or internal or published financial or operating predictions of revenue, earnings, cash flow or cash position (it

being understood that the exceptions in clauses (7), (8) and (9) shall not prevent or otherwise affect a determination that the underlying cause of any such change, decline or failure referred to therein (if not otherwise falling within any of the exceptions provided by clause (A) and clauses (B)(1) through (9) hereof) is a Material Adverse Effect); provided further, however, that any effect, change, event or occurrence referred to in clause (A) or clauses (B)(1), (3) or (4) may be taken into account in determining whether there has been, or would reasonably be expected to be, individually or in the aggregate, a Material Adverse Effect to the extent such effect, change, event or occurrence has a disproportionate adverse effect on the business, results of operations, assets or condition (financial or otherwise) of the Company and its Subsidiaries, taken as a whole, as compared to other participants in the industry in which the Company and its Subsidiaries operate (in which case the incremental disproportionate impact or impacts may be taken into account in determining whether there has been, or would reasonably be expected to be, a Material Adverse Effect).

"Mirror Preferred Stock" means a new series of Preferred Stock of the Company having terms substantially identical to the Series A Preferred Stock (and otherwise reasonably acceptable to the Company and the Purchaser) including, on a per share basis, having the same Liquidation Preference, Accrued Dividends and Conversion Rate (as such terms are defined in the Certificate of Designations) as of the date such series of Mirror Preferred Stock is issued, as the shares of Series A Preferred Stock then outstanding, and which upon issuance will be entitled to the same voting rights as the Series A Preferred Stock would have if the Additional Closing had occurred (but, for the avoidance of doubt, without the right to elect any Purchaser Designees).

"NYSE" means the New York Stock Exchange.

"PCI DSS" means the Payment Card Industry Data Security Standards, as amended from time to time.

"Permitted Transferee" means, with respect to any Person, (i) any Affiliate of such Person, (ii) any successor entity of such Person, (iii) with respect to any Person that is an investment fund, vehicle or similar entity, any other investment fund, vehicle or similar entity of which such Person or an Affiliate, advisor or manager of such Person serves as the general partner, manager or advisor, (iv) with respect to any Person that is an investment fund, vehicle or similar entity, the limited partners of such Person pursuant to a distribution in kind in connection with the winding up or dissolution of such Person and (v) any transferee consented to in writing by the Company; provided that, in each such case with respect to the Series A Preferred Stock, such Person is a U.S. Person, unless otherwise consented to by the Company in writing.

"Person" means an individual, corporation, limited liability company, partnership, joint venture, association, trust, unincorporated organization or any other entity, including a Governmental Authority.

"Prohibited Transferee" means the Persons listed on Section 1.01 of the Company Disclosure Letter as a "Prohibited Transferee" and the Affiliates thereof.

"Purchaser Designees" means the individuals designated in writing by the Purchaser for election to the Board pursuant to Section 5.10.

"Purchaser Director" means a member of the Board who was elected to the Board as a Purchaser Designee.

"Purchaser Material Adverse Effect" means any effect, change, event, occurrence, state of facts, development or condition that would prevent or materially delay, interfere with, hinder or impair (i) the consummation by the Purchaser of any of the Transactions on a timely basis or (ii) the compliance by the Purchaser with its obligations under this Agreement.

"Registration Rights Agreement" means that certain Registration Rights Agreement to be entered into by the Company and the Purchaser, the form of which is set forth as Annex II hereto.

"Representatives" means, with respect to any Person, its officers, directors, principals, partners, managers, members, employees, consultants, agents, financial advisors, investment bankers, attorneys, accountants, other advisors and other representatives.

"SEC" means the Securities and Exchange Commission.

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"Shareholder Approval" means such stockholder approval in respect of any issuance of equity securities as described in Section 5.14 as is required under the listing rules of the NYSE or any other securities exchange or any other applicable Law.

"Specified Affiliates" means Sirius XM Holdings Inc. and Liberty Media Corporation.

"Specified Business" means the business of Ticketfly, LLC.

"Specified Persons" means the Persons set forth on Schedule A.

"Subsidiary", when used with respect to any Person, means any corporation, limited liability company, partnership, association, trust or other entity of which (x) securities or other ownership interests representing more than 50% of the ordinary voting power (or, in the case of a partnership, more than 50% of the general partnership interests) or (y) sufficient voting rights to elect at least a majority of the board of directors or other governing body are, as of such date, owned by such Person or one or more Subsidiaries of such Person or by such Person and one or more Subsidiaries of such Person.

"Tax" means any and all federal, state, local or foreign taxes, fees, levies, duties, tariffs, imposts, and other similar charges (together with any and all interest, penalties and additions to tax) imposed by any Governmental Authority, including taxes or other charges on or with respect to income, franchises, windfall or other profits, gross receipts, property, sales, use, capital stock, payroll, employment, social security, workers' compensation, unemployment compensation or net worth; taxes or other charges in the nature of excise, withholding, *ad valorem*, stamp, transfer, value added or gains taxes; license, registration and documentation fees; and customs duties, tariffs and similar charges, together with any interest or penalty, in addition to tax or additional amount imposed by any Governmental Authority.

"Tax Return" means returns, reports, claims for refund, declarations of estimated Taxes and information statements, including any schedule or attachment thereto or any amendment thereof, with respect to Taxes filed or required to be filed with any Governmental Authority, including consolidated, combined and unitary tax returns.

"Transaction Documents" means this Agreement, the Certificate of Designations, the Registration Rights Agreement and all other documents, certificates or agreements executed in connection with the transactions contemplated by this Agreement, the Certificate of Designations and the Registration Rights Agreement.

"Transactions" means the Purchase and the other transactions expressly contemplated by this Agreement and the other Transaction Documents, including, without limitation, the exercise by the Purchaser of the right to convert Acquired Shares into shares of Common Stock.

"Transfer" by any Person means, directly or indirectly, to sell, transfer, assign, pledge, encumber, hypothecate or otherwise dispose of or transfer (by the operation of law or otherwise), either voluntarily or involuntarily, or to enter into any contract, option or other arrangement, agreement or understanding with respect to the sale, transfer, assignment, pledge, encumbrance, hypothecation or other disposition or transfer (by the operation of law or otherwise), of any interest in any equity securities beneficially owned by such Person; provided, however, that, notwithstanding anything to the contrary in this Agreement, a Transfer shall not include (i) the conversion of one or more shares of Series A Preferred Stock into shares of Common Stock pursuant to the Certificate of Designations, (ii) the redemption or other acquisition of Common Stock or Series A Preferred Stock by the Company or (iii) the transfer of any equity interests in the Purchaser (or any direct or indirect parent entity of such Purchaser).

"U.S. Person" means any Person that is a "United States person" as defined in Section 7701(a)(30) of the Code or any successor provision thereof.

"Wholly Owned Subsidiary" means, with respect to any Person, any Subsidiary of such Person, except that, solely for purposes of this definition, the reference to "more than 50%" in the definition of "Subsidiary" shall be deemed replaced by a reference to "100%."

(b) In addition to the terms defined in Section 1.01(a), the following terms have the meanings assigned thereto in the Sections set forth below:

Term	Section
Acquired Shares	2.01
Action	3.07
Additional Amount	5.15
Additional Closing	2.03(a)
Agreement	Preamble
Announcement	5.04
Certificate of Designations	Recitals
Balance Sheet Date	3.05(c)

Bankruptcy and Equity Exception	3.03(a)
Capitalization Date	3.02(a)
Company	Preamble
Company Disclosure Letter	Article III
Company Preferred Stock	3.02(a)
Company SEC Documents	3.05(a)
Company Securities	3.02(b)
Confidential Information	5.05
Confidentiality Agreement	5.05
Contract	3.03(b)
DOJ	5.02(c)
Environmental Laws	3.11
Excluded Issuance	5.14(a)
Filed SEC Documents	Article III
FTC	5.02(c)
Hedge	5.08(a)
HSR Form	5.02(b)
Initial Closing	2.02(a)
Initial Closing Date	2.02(a)
Intellectual Property	3.09
IRS	5.12(a)
Judgments	3.07
KKR Investment Agreement	3.03(b)
Laws	3.08(a)
Non-Recourse Party	8.05(b)
OFAC	3.08(b)
Participation Portion	5.14(b)(ii)
Permits	3.08(a)
Proposed Securities	5.14(b)(i)
Purchase	2.01
Purchase Price	2.01
Purchaser	Preamble
Restraints	6.01(a)
Section 203 Waiver	3.03(c)
Series A Preferred Stock	Recitals
Termination Date	7.01(b)

ARTICLE II

Purchase and Sale

Section 2.01 Purchase and Sale. On the terms of this Agreement and subject to the satisfaction (or, to the extent permitted by applicable Law, waiver by the party entitled to the benefit thereof) of the applicable conditions set forth in Article VI, at the applicable Closing, the Purchaser shall purchase and acquire from the Company 480,000 shares of Series A Preferred Stock and the Company shall issue, sell and deliver to the Purchaser, such shares of Series A Preferred Stock (the " Acquired Shares"), for a purchase price per Acquired Share equal to $1,000 (the "Purchase Price"). The purchase and sale of the Acquired Shares pursuant to this Section 2.01 is referred to as the "Purchase".

Section 2.02 Initial Closing. (a) On the terms of this Agreement, the initial closing of the Purchase (the "Initial Closing") shall occur at 10:00 a.m. (New York City time) on June 9, 2017, subject to all of the conditions to the Initial Closing set forth in Section 6.01, 6.02 and 6.03 of this Agreement have been satisfied or, to the extent permitted by applicable Law, waived by the party entitled to the benefit thereof (other than those conditions that by their nature are to be satisfied at the Initial Closing, but subject to the satisfaction or waiver of those conditions at such time), at the offices of Sidley Austin LLP, 1999 Avenue of the Stars, Los Angeles, California 90067, or at such other place, time and date as shall be agreed between the Company and the Purchaser (the date on which the Initial Closing occurs, the "Initial Closing Date").

(b) At the Initial Closing:

(i) the Company shall deliver to the Purchaser (1) 172,500 Acquired Shares purchased by it free and clear of all Liens, except restrictions on transfer imposed by the Securities Act, Section 5.08 and any applicable securities Laws and (2) the Registration Rights Agreement, duly executed by the Company; and

(ii) the Purchaser shall (1) pay the Purchase Price for the 172,500 Acquired Shares purchased by it to the Company, by wire transfer in immediately available U.S. federal funds, to the account designated by the Company in writing and (2) deliver to the Company the Registration Rights Agreement, duly executed by the Purchaser.

Section 2.03 Additional Closing. (a) On the terms of this Agreement, an additional closing of the Purchase (the "Additional Closing") shall occur at 10:00 a.m. (New York City time) on the third Business Day after all of the conditions to the Additional Closing set forth in Section 6.01, 6.02, 6.03 and 6.04 of this Agreement have been satisfied or, to the extent permitted by applicable Law, waived by the party entitled to the benefit thereof (other than those conditions that by their nature are to be satisfied at the Additional Closing, but subject to the satisfaction or waiver of those conditions at such time) at the offices of Sidley Austin LLP, 1999 Avenue of the Stars, Los Angeles, California 90067, or at such other place, time and date as shall be agreed between the Company and the Purchaser (the date on which the Additional Closing occurs, the "Additional Closing Date").

(b) At the Additional Closing:

(i) the Company shall deliver to the Purchaser 307,500 Acquired Shares purchased by it free and clear of all Liens, except restrictions on transfer imposed by the Securities Act, Section 5.08 and any applicable securities Laws; and

(ii) the Purchaser shall pay the Purchase Price for the 307,500 Acquired Shares purchased by it to the Company, by wire transfer in immediately available U.S. federal funds, to the account designated by the Company in writing.

ARTICLE III

Representations and Warranties of the Company

The Company represents and warrants to the Purchaser as of the date hereof,as of the Initial Closing and as of the Additional Closing (except to the extent made only as of a specified date, in which case such representation and warranty is made as of such date) that, except as (A) set forth in the confidential disclosure letter delivered by the Company to the Purchaser prior to the execution of this Agreement (the "Company Disclosure Letter") (it being understood that any information, item or matter set forth on one section or subsection of the Company Disclosure Letter shall only be deemed disclosure with respect to, and shall only be deemed to apply to and qualify, the section or subsection of this Agreement to which it corresponds in number and each other section or subsection of this Agreement to the extent that it is reasonably apparent that such information, item or matter is relevant to such other section or subsection) or (B) disclosed in any report, schedule, form, statement or other document (including exhibits) filed with, or furnished to, the SEC and publicly available after December 31, 2016 and prior to the date hereof (the "Filed SEC Documents"), other than any risk factor disclosures in any such Filed SEC Document contained in the "Risk Factors" section or any forward-looking statements within the meaning of the Securities Act or the Exchange Act thereof (it being acknowledged that nothing disclosed in the Filed SEC Documents shall be deemed to qualify or modify the representations and warranties set forth in Sections 3.01, 3.02(a), 3.03, 3.05, 3.12 and 3.13):

Section 3.01 Organization; Standing. (a) The Company is a corporation duly organized and validly existing under the Laws of the State of Delaware, is in good standing with the DSS and has all requisite corporate power and corporate authority necessary to carry on its business as it is now being conducted. The Company is duly licensed or qualified to do business and is in good standing (where such concept is recognized under applicable Law) in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned or leased by it makes such licensing or qualification necessary, except where the failure to be so licensed, qualified or in good standing would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. True and complete copies of the Company Charter Documents are included in the Filed SEC Documents.

(b) Each of the Company's Subsidiaries is duly organized, validly existing and in good standing (where such concept is recognized under applicable Law) under the Laws of the jurisdiction of its organization, except where the failure to be so organized, existing and in good

standing would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 3.02 Capitalization. (a) The authorized capital stock of the Company consists of 1,000,000,000 shares of Common Stock and 10,000,000 shares of preferred stock, par value $0.0001 per share ("Company Preferred Stock"), of which 480,000 shares of Series A Preferred Stock, par value $0.0001 per share, will be authorized as of the date hereof. At the close of business on May 5, 2017 (the "Capitalization Date"), (i) 240,358,500 shares of Common Stock were issued and outstanding (and no Company Restricted Shares were issued and outstanding), (ii) 11,429,472 shares of Common Stock were reserved and available for issuance pursuant to the Company Stock Plans, (iii) 9,668,144 shares of Common Stock were subject to outstanding Company Stock Options, (iv) 357,696 Company MSUs were outstanding pursuant to which a maximum of 386,000 shares of Common Stock could be issued, (v) 1,697,750 Company PSUs were outstanding, (vi) 1,516,662 shares of Common Stock were reserved and available for purchase under the Company's 2014 Equity Stock Purchase Plan and (vii) no shares of Company Preferred Stock were issued or outstanding.

(b) Except as described in this Section 3.02, as of the Capitalization Date, there were (i) no outstanding shares of capital stock of, or other equity or voting interests in, the Company, (ii) no outstanding securities of the Company convertible into or exchangeable for shares of capital stock of, or other equity or voting interests in, the Company, (iii) no outstanding options, warrants, rights or other commitments or agreements to acquire from the Company, or that obligate the Company to issue, any capital stock of, or other equity or voting interests (or voting debt) in, or any securities convertible into or exchangeable for shares of capital stock of, or other equity or voting interests in, the Company other than obligations under the Company Plans in the ordinary course of business, (iv) no obligations of the Company to grant, extend or enter into any subscription, warrant, right, convertible or exchangeable security or other similar agreement or commitment relating to any capital stock of, or other equity or voting interests in, the Company (the items in clauses (i), (ii), (iii) and (iv) being referred to collectively as "Company Securities") and (v) no other obligations by the Company or any of its Subsidiaries to make any payments based on the price or value of any Company Securities. There are no outstanding agreements of any kind which obligate the Company or any of its Subsidiaries to repurchase, redeem or otherwise acquire any Company Securities (other than pursuant to the cashless exercise of Company Stock Options or the forfeiture or withholding of Taxes with respect to Company Stock Options, Company Restricted Shares, Company MSUs or Company PSUs), or obligate the Company to grant, extend or enter into any such agreements relating to any Company Securities, including any agreements granting any preemptive rights, subscription rights, anti-dilutive rights, rights of first refusal or similar rights with respect to any Company Securities. None of the Company or any Subsidiary of the Company is a party to any stockholders' agreement, voting trust agreement, registration rights agreement or other similar agreement or understanding relating to any Company Securities or any other agreement relating to the disposition, voting or dividends with respect to any Company Securities. All outstanding shares of Common Stock have been duly authorized and validly issued and are fully paid, nonassessable and free of preemptive rights.

Section 3.03 Authority; Noncontravention. (a) The Company has all necessary corporate power and corporate authority to execute and deliver this Agreement and the other Transaction Documents and to perform its obligations hereunder and thereunder and to consummate the Transactions. The execution, delivery and performance by the Company of this Agreement and the other Transaction Documents, and the consummation by it of the Transactions, have been duly authorized by the Board and no other corporate action on the part of the Company is necessary to authorize the execution, delivery and performance by the Company of this Agreement and the other Transaction Documents and the consummation by it of the Transactions. This Agreement has been duly executed and delivered by the Company and, assuming due authorization, execution and delivery hereof by the Purchaser, constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except that such enforceability (i) may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other similar Laws of general application affecting or relating to the enforcement of creditors' rights generally and (ii) is subject to general principles of equity, whether considered in a proceeding at law or in equity (the "Bankruptcy and Equity Exception").

(b) Neither the execution and delivery of this Agreement or the other Transaction Documents by the Company, nor the consummation by the Company of the Transactions, nor performance or compliance by the Company with any of the terms or provisions hereof or thereof, will (i) conflict with or violate any provision of (A) the Company Charter Documents or (B) the similar organizational documents of any of the Company's Subsidiaries or (ii) assuming that the authorizations, consents and approvals referred to in Section 3.04 are obtained prior to the Initial Closing Date with respect to Section 3.04(a) or prior to the Additional Closing Date with respect to the remainder of Section 3.04 and the filings referred to in Section 3.04 are made and any waiting periods thereunder have terminated or expired prior to the Initial Closing Date, (x) violate any Law or Judgment applicable to the Company or any of its Subsidiaries or (y) violate or constitute a default (or constitute an event which, with notice or lapse of time or both, would violate or constitute a default) under, result in the termination of or a right of termination or cancellation under, result in the loss of any benefit or require a payment or incur a penalty under, any of the terms or provisions of any loan or credit agreement, indenture, debenture, note, bond, mortgage, deed of trust, lease, sublease, license, contract or other agreement (each, a "Contract") to which the Company or any of its Subsidiaries is a party or accelerate the Company's or, if applicable, any of its Subsidiaries' obligations under any such Contract, except, in the case of clause (i)(B) and clause (ii), as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect and except that the Company shall be required to pay a termination fee to KKR Classic Investors LLC in connection with the termination of the Investment Agreement dated as of June 8, 2017, between the Company and KKR Classic Investors LLC (the "KKR Investment Agreement"). The KKR Investment Agreement has been validly terminated in accordance with its terms and is of no further force and effect.

(c) The Board has adopted a resolution under Section 203(a)(1) of the DGCL, approving the acquisition of the Series A Preferred Stock (including the underlying Common Stock) by the Purchaser or any Specified Affiliates pursuant to this Agreement, provided that (i) the continuing effectiveness of such resolution is dependent upon the continuing effectiveness of this Agreement, (ii) such resolution shall be automatically revoked without further action of the Board

if this Agreement is terminated prior to the completion of the Additional Closing and (iii) such resolution shall be irrevocable upon the completion of the Additional Closing (the "Section 203 Waiver").

Section 3.04 Governmental Approvals. Except for (a) the filing of the Certificate of Designations with the DSS and the acceptance for record by the DSS of the Certificate of Designations pursuant to the DGCL, (b) filings required under, and compliance with other applicable requirements of the HSR Act and (c) compliance with any applicable state securities or blue sky laws, no consent or approval of, or filing, license, permit or authorization, declaration or registration with, any Governmental Authority is necessary for the execution and delivery of this Agreement and the other Transaction Documents by the Company, the performance by the Company of its obligations hereunder and thereunder and the consummation by the Company of the Transactions, other than such other consents, approvals, filings, licenses, permits or authorizations, declarations or registrations that, if not obtained, made or given, would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 3.05 Company SEC Documents; Undisclosed Liabilities. (a) The Company has filed with the SEC, on a timely basis, all required reports, schedules, forms, statements and other documents required to be filed by the Company with the SEC pursuant to the Exchange Act since January 1, 2015 (collectively, the "Company SEC Documents"). As of their respective SEC filing dates, the Company SEC Documents complied as to form in all material respects with the requirements of the Securities Act, the Exchange Act or the Sarbanes-Oxley Act of 2002 (and the regulations promulgated thereunder), as the case may be, applicable to such Company SEC Documents, and none of the Company SEC Documents as of such respective dates (or, if amended prior to the date hereof, the date of the filing of such amendment, with respect to the disclosures that are amended) 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) The consolidated financial statements of the Company (including all related notes or schedules) included or incorporated by reference in the Company SEC Documents complied as to form, as of their respective dates of filing with the SEC, in all material respects with the published rules and regulations of the SEC with respect thereto, have been prepared in all material respects in accordance with GAAP (except, in the case of unaudited quarterly statements, as permitted by Form 10-Q of the SEC or other rules and regulations of the SEC) applied on a consistent basis during the periods involved (except (i) as may be indicated in the notes thereto or (ii) as permitted by Regulation S-X) and fairly present in all material respects the consolidated financial position of the Company and its consolidated Subsidiaries as of the dates thereof and the consolidated results of their operations and cash flows for the periods shown (subject, in the case of unaudited quarterly financial statements, to normal year-end adjustments).

(c) Neither the Company nor any of its Subsidiaries has any liabilities of any nature (whether accrued, absolute, contingent or otherwise) that would be required under GAAP, as in effect on the date hereof, to be reflected on a consolidated balance sheet of the Company (including the notes thereto) except liabilities (i) reflected or reserved against in the balance sheet

(or the notes thereto) of the Company and its Subsidiaries as of December 31, 2016 (the "Balance Sheet Date") included in the Filed SEC Documents, (ii) incurred after the Balance Sheet Date in the ordinary course of business, (iii) as expressly contemplated by this Agreement or otherwise incurred in connection with the Transactions, (iv) that have been discharged or paid prior to the date of this Agreement or (v) as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(d) The Company has established and maintains, and at all times since January 1, 2015 has maintained, disclosure controls and procedures and a system of internal controls over financial reporting (as such terms are defined in paragraphs (e) and (f), respectively, of Rule 13a-15 under the Exchange Act) in accordance with Rule 13a-15 under the Exchange Act in all material respects. Neither the Company nor, to the Company's Knowledge, the Company's independent registered public accounting firm, has identified or been made aware of "significant deficiencies" or "material weaknesses" (as defined by the Public Company Accounting Oversight Board) in the design or operation of the Company's internal controls over and procedures relating to financial reporting which would reasonably be expected to adversely affect in any material respect the Company's ability to record, process, summarize and report financial data, in each case which has not been subsequently remediated.

Section 3.06 Absence of Certain Changes. Since January 1, 2015, through the date of this Agreement (a) except for the execution and performance of this Agreement and the discussions, negotiations and transactions related thereto and any transaction of the type contemplated by this Agreement or other extraordinary transaction, the business of the Company and its Subsidiaries has been carried on and conducted in all material respects in the ordinary course of business and (b) there has not been any Material Adverse Effect or any event, change or occurrence that would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Since January 1, 2015, through the date of this Agreement, the Company has not taken any actions which, had such actions been taken after the date of this Agreement, would have required the written consent of the Purchaser pursuant to Section 5.01.

Section 3.07 Legal Proceedings. Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, as of the date of this Agreement, there is no (a) pending or, to the Knowledge of the Company, threatened legal, regulatory or administrative proceeding, suit, investigation, arbitration or action (an "Action") against the Company or any of its Subsidiaries or (b) outstanding order, judgment, injunction, ruling, writ or decree of any Governmental Authority ("Judgments") imposed upon the Company or any of its Subsidiaries, in each case, by or before any Governmental Authority.

Section 3.08 Compliance with Laws; Permits; USA PATRIOT ACT; OFAC; Sanctions; FCPA.

(a) The Company and each of its Subsidiaries are and since January 1, 2015 have been, in compliance with all state or federal laws, common law, statutes, ordinances, codes, rules or regulations or other similar requirement enacted, adopted, promulgated, or applied by any Governmental Authority ("Laws") or Judgments, in each case, that are applicable to the Company or any of its Subsidiaries, except as would not, individually or in the aggregate, reasonably be

expected to have a Material Adverse Effect. The Company and each of its Subsidiaries hold all licenses, franchises, permits, certificates, approvals and authorizations from Governmental Authorities ("Permits") necessary for the lawful conduct of their respective businesses, except where the failure to hold the same would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(b) The Company and each of its Subsidiaries is in compliance with the applicable provisions of the USA PATRIOT Act, except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, and, on or prior to the Closing Date, the Company has provided to the Purchaser information related to the Company and its Subsidiaries (including names, addresses and tax identification numbers (if applicable)) reasonably requested in writing by the Purchaser and to be mutually agreed to be required under applicable U.S. "know your customer" and anti-money laundering rules and regulations, including the USA PATRIOT Act.

(c) None of the Company or any of its Subsidiaries nor, to the Knowledge of the Company, any directors or officer of the Company or any of its Subsidiaries is currently the target of any sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("OFAC") U.S. State Department, the United Nations Security Council, Her Majesty's Treasury, the European Union or relevant member states of the European Union (collectively, the "Sanctions") and the Company and its Subsidiaries and, to the Knowledge of the Company, their respective directors, officers, employees and agents (to the extent such persons are acting for or on behalf of the Company of any of its Subsidiaries) are, and since January 1, 2015 have been, in compliance with Sanctions, except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The Company shall not directly or indirectly use the proceeds of the Purchase Price or otherwise make available such proceeds to any Person, for the purpose of financing the activities of any Person that is currently the target of any Sanctions program or for the purpose of funding, financing or facilitating any activities, business or transaction with or in any country that is the target of the Sanctions, to the extent such activities, businesses or transaction would be prohibited by the Sanctions, or in any manner that would result in the violation of any Sanctions applicable to any Person.

(d) The Company and its Subsidiaries, and, to the Knowledge of the Company, their respective directors, officers, employees, and agents acting on behalf of or for the Company's or any Subsidiary's benefit are, and since January 1, 2015 have been, in compliance with the U.S. Foreign Corrupt Practices Act of 1977 or similar law of a jurisdiction in which the Company or any of its Subsidiaries conduct their respective businesses and to which they are lawfully subject, in each case, except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. No part of the proceeds of the Purchase Price paid hereunder shall be used to make any unlawful bribe, rebate, payoff, influence payment, kickback or other unlawful payment.

Section 3.09 Intellectual Property.

(a) Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (i) all Intellectual Property used or held for use in the operation of the business of the Company and its Subsidiaries (the "Company Intellectual Property") is either

owned by the Company or one or more of its Subsidiaries (the "Owned Intellectual Property") or is used by the Company or one or more of its Subsidiaries pursuant to a valid license Contract (the "Licensed Intellectual Property"), and (ii) the Company and its Subsidiaries have taken all necessary actions to maintain and protect each item of Company Intellectual Property. Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, the conduct of the business of the Company and its Subsidiaries does not infringe or otherwise violate any Intellectual Property or other proprietary rights of any other Person, and to the Knowledge of the Company, no Person is infringing or otherwise violating any Owned Intellectual Property.

(b) Each material Contract pursuant to which the Company or any of its Subsidiaries use any Licensed Intellectual Property or have granted to a third party any right in or to any Owned Intellectual Property (collectively, the "IP Licenses") is a legal, valid and binding obligation of the Company or its Subsidiaries, as applicable, and is enforceable against the Company or its Subsidiaries, as applicable, and, to the Knowledge of the Company, the other parties thereto, subject to the Bankruptcy and Equity Exception. Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, none of the Company and its Subsidiaries is in breach, violation or default under any IP License and no event has occurred that, with notice or lapse of time or both, would constitute such a breach, violation or default by the Company or any of its Subsidiaries.

(c) Except as set forth in the Company Disclosure Letter or as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, the Company and each of its Subsidiaries is in compliance with PCI DSS, to the extent applicable, as well as with their privacy policy regarding the collection, use and protection of personally identifiable information, and, to the Knowledge of the Company, no Person has gained unauthorized access to or made any unauthorized use of any personally identifiable information or "cardholder data" (as defined in PCI DSS) maintained by the Company or any of its Subsidiaries.

Section 3.10 Tax Matters. Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect: (a) the Company and each of its Subsidiaries has prepared (or caused to be prepared) and timely filed (taking into account valid extensions of time within which to file) all Tax Returns required to be filed by any of them, and all such filed Tax Returns (taking into account all amendments thereto) are true, complete and accurate, (b) all Taxes owed by the Company and each of its Subsidiaries that are due (whether or not shown on any Tax Return) have been timely paid except for Taxes which are being contested in good faith by appropriate proceedings and which have been adequately reserved against in accordance with GAAP, (c) no examination or audit of any Tax Return relating to any Taxes of the Company or any of its Subsidiaries or with respect to any Taxes due from or with respect to the Company or any of its Subsidiaries by any Governmental Authority is currently in progress or threatened in writing and (d) none of the Company or any of its Subsidiaries has engaged in, or has any liability or obligation with respect to, any "listed transaction" within the meaning of Treasury Regulations Section 1.6011-4(b)(2).

Section 3.11 Environmental Matters. Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (a) the Company and each of

its Subsidiaries has complied since January 1, 2015 with and is in compliance with all applicable Laws relating to pollution or the protection of the environment or natural resources ("Environmental Laws"), and the Company has not received any written notice since January 1, 2015 alleging that the Company is in violation of or has liability under any Environmental Law, (b) the Company and its Subsidiaries possess and have complied since January 1, 2015 with and are in compliance with all Permits required under Environmental Laws for the operation of their respective businesses, (c) there is no Action under or pursuant to any Environmental Law or environmental Permit that is pending or, to the Knowledge of the Company, threatened in writing against the Company or any of its Subsidiaries, (d) neither the Company nor any of its Subsidiaries has become subject to any Judgment imposed by any Governmental Authority under which there are uncompleted, outstanding or unresolved obligations on the part of the Company or its Subsidiaries arising under Environmental Laws, (e) neither the Company nor any of its Subsidiaries has any liabilities or obligations arising from the Company's or any of its Subsidiaries' management disposal or release of, or exposure of any Person to, any hazardous or toxic substance, or any owned or operated property or facility contaminated by any such substance and (f) neither the Company nor any of its Subsidiaries has by contract or operation of law assumed responsibility or provided an indemnity for any liability of any other Person relating to Environmental Laws.

Section 3.12 No Rights Agreement; Anti-Takeover Provisions . The Company is not party to a stockholder rights agreement, "poison pill" or similar anti-takeover agreement or plan.

Section 3.13 Brokers and Other Advisors. Except for Morgan Stanley and Centerview Partners LLC, the fees and expenses of which will be paid by the Company, no broker, investment banker, financial advisor or other Person is entitled to any broker's, finder's, financial advisor's or other similar fee or commission, or the reimbursement of expenses in connection therewith, in connection with the Transactions based upon arrangements made by or on behalf of the Company or any of its Subsidiaries.

Section 3.14 Sale of Securities. Assuming the accuracy of the representations and warranties set forth in Section 4.08, the sale of the shares of Series A Preferred Stock pursuant to this Agreement is exempt from the registration and prospectus delivery requirements of the Securities Act and the rules and regulations thereunder. Without limiting the foregoing, neither the Company nor, to the Knowledge of the Company, any other Person authorized by the Company to act on its behalf, has engaged in a general solicitation or general advertising (within the meaning of Regulation D of the Securities Act) of investors with respect to offers or sales of Series A Preferred Stock, and neither the Company nor, to the Knowledge of the Company, any Person acting on its behalf has made any offers or sales of any security or solicited any offers to buy any security, under circumstances that would cause the offering or issuance of Series A Preferred Stock under this Agreement to be integrated with prior offerings by the Company for purposes of the Securities Act that would result in none of Regulation D or any other applicable exemption from registration under the Securities Act to be available, nor will the Company take any action or steps that would cause the offering or issuance of Series A Preferred Stock under this Agreement to be integrated with other offerings by the Company.

Section 3.15 Listing and Maintenance Requirements. The Common Stock is registered pursuant to Section 12(b) of the Exchange Act and listed on the NYSE, and the Company has taken no action designed to, or which to the Knowledge of the Company is reasonably likely to have the effect of, terminating the registration of the Common Stock under the Exchange Act or delisting the Common Stock from the NYSE, nor has the Company received as of the date of this Agreement any notification that the SEC or the NYSE is contemplating terminating such registration or listing.

Section 3.16 Status of Securities. As of the applicable Closing, the Acquired Shares will be duly classified pursuant to applicable provisions of the Company Charter Documents and the DGCL and such Acquired Shares and the shares of Common Stock issuable upon conversion of any of the Acquired Shares will be, when issued, duly authorized by all necessary corporate action on the part of the Company, validly issued, fully paid and nonassessable and issued in compliance with all applicable federal and state securities laws and will not be subject to preemptive rights of any other stockholder of the Company, and will be free and clear of all Liens, except restrictions imposed by the Securities Act, Section 5.08 and any applicable securities Laws.

Section 3.17 Indebtedness. Except with respect to the covenants contained in the Credit Agreement, the Company is not party to any material Contract, and is not subject to any provision in the Company Charter Documents or resolutions of the Board that, in each case, by its terms prohibits or prevents the Company from paying dividends in form and the amounts contemplated by the Certificate of Designations. The Company and its Subsidiaries are not in material breach of, or default or violation under, the Credit Agreement or the Indenture.

Section 3.18 No Other Representations or Warranties. Except for the representations and warranties made by the Company in this Article III and in any certificate or other document delivered in connection with this Agreement, neither the Company nor any other Person acting on its behalf makes any other express or implied representation or warranty with respect to the Series A Preferred Stock, the Common Stock, the Company or any of its Subsidiaries or their respective businesses, operations, properties, assets, liabilities, condition (financial or otherwise) or prospects, notwithstanding the delivery or disclosure to the Purchaser or any of its Representatives of any documentation, forecasts or other information with respect to any one or more of the foregoing, and the Purchaser acknowledges the foregoing. In particular, and without limiting the generality of the foregoing, except for the representations and warranties made by the Company in this Article III and in any certificate or other document delivered in connection with this Agreement, neither the Company nor any other Person makes or has made any express or implied representation or warranty to the Purchaser or any of its Representatives with respect to (a) any financial projection, forecast, estimate, budget or prospect information relating to the Company, any of its Subsidiaries or their respective businesses or (b) any oral or written information presented to the Purchaser or any of its Representatives in the course of its due diligence investigation of the Company, the negotiation of this Agreement or the course of the Transactions or any other transactions or potential transactions involving the Company and the Purchaser.

Section 3.19 No Other Purchaser Representations or Warranties. Except for the representations and warranties expressly set forth in Article IV and in any certificate or other document delivered in connection with this Agreement, the Company hereby acknowledges that

neither the Purchaser nor any other Person (a) has made or is making any other express or implied representation or warranty with respect to the Purchaser or any of its Subsidiaries or their respective businesses, operations, assets, liabilities, condition (financial or otherwise) or prospects, including with respect to any information provided or made available to the Company or any of its Representatives or any information developed by the Company or any of its Representatives or (b) except in the case of fraud, will have or be subject to any liability or indemnification obligation to the Company resulting from the delivery, dissemination or any other distribution to the Company or any of its Representatives, or the use by the Company or any of its Representatives, of any information, documents, estimates, projections, forecasts or other forward-looking information, business plans or other material developed by or provided or made available to the Company or any of its Representatives, including in due diligence materials, in anticipation or contemplation of any of the Transactions or any other transactions or potential transactions involving the Company and the Purchaser. The Company, on behalf of itself and on behalf of its respective Affiliates, expressly waives any such claim relating to the foregoing matters, except with respect to fraud.

ARTICLE IV

Representations and Warranties of the Purchaser

The Purchaser represents and warrants to the Company, as of the date hereof, as of the Initial Closing Date and as of the Additional Closing:

Section 4.01 Organization; Standing. The Purchaser is duly organized, validly existing and in good standing under the Laws of its jurisdiction of incorporation, as applicable, and is a U.S. Person, and has all requisite power and authority necessary to carry on its business as it is now being conducted and is duly licensed or qualified to do business and is in good standing (where such concept is recognized under applicable Law) in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned or leased by it makes such licensing or qualification necessary, except where the failure to be so licensed, qualified or in good standing would not, individually or in the aggregate, reasonably be expected to have a Purchaser Material Adverse Effect.

Section 4.02 Authority; Noncontravention. (a) The Purchaser has all necessary power and authority to execute and deliver this Agreement and the other Transaction Agreements, to perform its obligations hereunder and thereunder and to consummate the Transactions. The execution, delivery and performance by the Purchaser of this Agreement and the other Transaction Documents and the consummation by the Purchaser of the Transactions have been duly authorized and approved by all necessary action on the part of the Purchaser, and no further action, approval or authorization by any of its stockholders, is necessary to authorize the execution, delivery and performance by the Purchaser of this Agreement and the other Transaction Agreements and the consummation by the Purchaser of the Transactions. This Agreement has been duly executed and delivered by the Purchaser and, assuming due authorization, execution and delivery hereof by the Company, constitutes a legal, valid and binding obligation of the Purchaser, enforceable against it in accordance with its terms, subject to the Bankruptcy and Equity Exception. Neither the execution and delivery of this Agreement or the other Transaction Agreements by any Purchaser, nor the consummation

of the Transactions by any Purchaser, nor performance or compliance by any Purchaser with any of the terms or provisions hereof or thereof, will (i) conflict with or violate any provision of the certificate or articles of incorporation, bylaws or other comparable charter or organizational documents of the Purchaser or (ii) assuming that the authorizations, consents and approvals referred to in Section 4.03 are obtained prior to the applicable Closing Date and the filings referred to in Section 4.03 are made and any waiting periods with respect to such filings have terminated or expired prior to the applicable Closing Date, (x) violate any Law or Judgment applicable to the Purchaser or any of its Subsidiaries or (y) violate or constitute a default (or constitute an event which, with notice or lapse of time or both, would violate or constitute a default) under any of the terms, conditions or provisions of any Contract to which the Purchaser or any of its Subsidiaries is a party or accelerate the Purchaser's or any of its Subsidiaries', if applicable, obligations under any such Contract, except, in the case of clause (ii), as would not, individually or in the aggregate, reasonably be expected to have a Purchaser Material Adverse Effect.

Section 4.03 Governmental Approvals. Except for (a) the filing by the Company of the Certificate of Designations with the DSS and the acceptance for record by the DSS of the Certificate of Designations pursuant to the DGCL and (b) filings required under, and compliance with other applicable requirements of, the HSR Act, no consent or approval of, or filing, license, permit or authorization, declaration or registration with, any Governmental Authority is necessary for the execution and delivery of this Agreement and the other Transaction Agreements by the Purchaser, the performance by the Purchaser of its obligations hereunder and thereunder and the consummation by the Purchaser of the Transactions, other than such other consents, approvals, filings, licenses, permits, authorizations, declarations or registrations that, if not obtained, made or given, would not, individually or in the aggregate, reasonably be expected to have a Purchaser Material Adverse Effect.

Section 4.04 Financing. At the applicable Closing, the Purchaser will have available funds necessary to, consummate the Purchase and pay the Purchase Price for its Acquired Shares on the terms and conditions contemplated by this Agreement.

Section 4.05 Ownership of Company Stock. Neither the Purchaser nor any of its respective Affiliates owns any capital stock or other securities of the Company.

Section 4.06 Brokers and Other Advisors. No broker, investment banker, financial advisor or other Person is entitled to any broker's, finder's, financial advisor's or other similar fee or commission, or the reimbursement of expenses in connection therewith, in connection with the Transactions based upon arrangements made by or on behalf of the Purchaser or any of its Subsidiaries, except for Persons, if any, whose fees and expenses will be paid by the Purchaser.

Section 4.07 Non-Reliance on Company Estimates, Projections, Forecasts, Forward-Looking Statements and Business Plans. In connection with the due diligence investigation of the Company by the Purchaser and its Representatives, the Purchaser and its Representatives have received and may continue to receive from the Company and its Representatives certain estimates, projections, forecasts and other forward-looking information, as well as certain business plan information containing such information, regarding the Company and its Subsidiaries and their respective businesses and operations. The Purchaser hereby acknowledges that there are

uncertainties inherent in attempting to make such estimates, projections, forecasts and other forward-looking statements, as well as in such business plans, with which the Purchaser is familiar, that the Purchaser is making its own evaluation of the adequacy and accuracy of all estimates, projections, forecasts and other forward-looking information, as well as such business plans, so furnished to the Purchaser (including the reasonableness of the assumptions underlying such estimates, projections, forecasts, forward-looking information or business plans), and that except for fraud or the representations and warranties made by the Company in Article III of this Agreement and in any certificate or other document delivered in connection with this Agreement, the Purchaser will have no claim against the Company or any of its Subsidiaries, or any of their respective Representatives, with respect thereto.

Section 4.08 Purchase for Investment. The Purchaser acknowledges that the Series A Preferred Stock and the Common Stock issuable upon the conversion of the Series A Preferred Stock have not been registered under the Securities Act or under any state or other applicable securities laws. The Purchaser (a) acknowledges that it is acquiring the Series A Preferred Stock and the Common Stock issuable upon the conversion of the Series A Preferred Stock pursuant to an exemption from registration under the Securities Act solely for investment with no intention to distribute any of the foregoing to any Person, (b) will not sell, transfer, or otherwise dispose of any of the Series A Preferred Stock or the Common Stock issuable upon the conversion of the Series A Preferred Stock, except in compliance with this Agreement and the registration requirements or exemption provisions of the Securities Act and any other applicable securities Laws, (c) has such knowledge and experience in financial and business matters and in investments of this type that it is capable of evaluating the merits and risks of its investment in the Series A Preferred Stock and the Common Stock issuable upon the conversion of the Series A Preferred Stock and of making an informed investment decision, (d) is an "accredited investor" (as that term is defined by Rule 501 of the Securities Act) and (e) (1) has been furnished with or has had full access to all the information that it considers necessary or appropriate to make an informed investment decision with respect to the Series A Preferred Stock and the Common Stock issuable upon the conversion of the Series A Preferred Stock, (2) has had an opportunity to discuss with the Company and its Representatives the intended business and financial affairs of the Company and to obtain information necessary to verify any information furnished to it or to which it had access and (3) can bear the economic risk of (i) an investment in the Series A Preferred Stock and the Common Stock issuable upon the conversion of the Series A Preferred Stock indefinitely and (ii) a total loss in respect of such investment. The Purchaser has such knowledge and experience in business and financial matters so as to enable it to understand and evaluate the risks of, and form an investment decision with respect to its investment in, the Series A Preferred Stock and the Common Stock issuable upon the conversion of the Series A Preferred Stock and to protect its own interest in connection with such investment.

Section 4.09 No Other Company Representations or Warranties. Except for the representations and warranties expressly set forth in Article III and in any certificate or other document delivered in connection with this Agreement, the Purchaser hereby acknowledges that neither the Company nor any of its Subsidiaries, nor any other Person, (a) has made or is making any other express or implied representation or warranty with respect to the Company or any of its Subsidiaries or their respective businesses, operations, assets, liabilities, condition (financial or

otherwise) or prospects, including with respect to any information provided or made available to the Purchaser or any of its Representatives or any information developed by the Purchaser or any of its Representatives or (b) except in the case of fraud, will have or be subject to any liability or indemnification obligation to the Purchaser resulting from the delivery, dissemination or any other distribution to the Purchaser or any of its Representatives, or the use by the Purchaser or any of its Representatives, of any information, documents, estimates, projections, forecasts or other forward-looking information, business plans or other material developed by or provided or made available to such Purchaser or any of its Representatives, including in due diligence materials, "data rooms" or management presentations (formal or informal), in anticipation or contemplation of any of the Transactions or any other transactions or potential transactions involving the Company and such Purchaser. The Purchaser, on behalf of itself and on behalf of its respective Affiliates, expressly waives any such claim relating to the foregoing matters, except with respect to fraud. The Purchaser hereby acknowledges (for itself and on behalf of its Affiliates and Representatives) that it has conducted, to its satisfaction, its own independent investigation of the business, operations, assets and financial condition of the Company and its Subsidiaries and, in making its determination to proceed with the Transactions, the Purchaser and its Affiliates and Representatives have relied on the results of their own independent investigation.

ARTICLE V

Additional Agreements

Section 5.01 Pre-Closing Covenants. Except as required by applicable Law, Judgment or to comply with any notice from a Governmental Authority, as expressly contemplated, required or permitted by this Agreement, during the period from the date of this Agreement until the Additional Closing Date (or such earlier date on which this Agreement may be terminated pursuant to Section 7.01), unless the Purchaser otherwise consents in writing (such consent not to be unreasonably withheld, delayed or conditioned) the Company shall, and, except with respect to the sale of the Specified Business, shall cause its Subsidiaries to, use their commercially reasonable efforts to operate their businesses in all material respects in the ordinary course and, unless the Purchaser otherwise consents in writing (such consent not to be unreasonably withheld, delayed or conditioned), the Company shall not:

(a) other than the authorization and issuance of the Series A Preferred Stock to the Purchaser and the consummation of the other Transactions, issue, sell or grant any shares of its capital stock, or any securities or rights convertible into, exchangeable or exercisable for, or evidencing the right to subscribe for any shares of its capital stock, or any rights, warrants or options to purchase any shares of its capital stock; provided that the Company may issue or grant shares of Common Stock or other securities in the ordinary course of business pursuant to the terms of a Company Plan in effect on the date of this Agreement;

(b) redeem, purchase or otherwise acquire any of its outstanding shares of capital stock or other equity or voting interests, or any rights, warrants or options to acquire any shares of its capital stock or other equity or voting interests (other than pursuant to the cashless exercise of

Company Stock Options or the forfeiture or withholding of Taxes with respect to Company Stock Options, Company Restricted Shares, Company MSUs or Company PSUs);

(c) establish a record date for, declare, set aside for payment or pay any dividend on, or make any other distribution in respect of, any shares of its capital stock or other equity or voting interests;

(d) split, combine, subdivide or reclassify any shares of its capital stock or other equity or voting interests; or

(e) amend or supplement the Company Charter Documents in a manner that would affect the Purchaser in an adverse manner either as a holder of Series A Preferred Stock or with respect to the rights of the Purchaser under this Agreement.

Section 5.02 Reasonable Best Efforts; Filings. (a) Subject to the terms and conditions of this Agreement, each of the Company and the Purchaser shall cooperate with each other and use (and shall cause its Subsidiaries to use) its reasonable best efforts (unless, with respect to any action, another standard of performance is expressly provided for herein) to promptly (i) take, or cause to be taken, all actions, and do, or cause to be done, and assist and cooperate with each other in doing, all things necessary, proper or advisable to cause the conditions to the Initial Closing or Additional Closing, as applicable, to be satisfied as promptly as reasonably practicable and to consummate and make effective, in the most expeditious manner reasonably practicable, the Transactions, including preparing and filing promptly and fully all documentation to effect all necessary filings, notices, petitions, statements, registrations, submissions of information, applications and other documents, (ii) obtain all approvals, consents, registrations, waivers, permits, authorizations, orders and other confirmations from any Governmental Authority or third party necessary, proper or advisable to consummate the Transactions, (iii) execute and deliver any additional instruments necessary to consummate the Transactions and (iv) defend or contest in good faith any Action brought by a third party that could otherwise prevent or impede, interfere with, hinder or delay in any material respect the consummation of the Transactions.

(b) The Company and the Purchaser agree to make an appropriate filing of a Notification and Report Form ("HSR Form") pursuant to the HSR Act with respect to the Transactions (which shall request the early termination of any waiting period applicable to the Transactions under the HSR Act) as promptly as reasonably practicable following the date of this Agreement, and to supply as promptly as reasonably practicable any additional information and documentary material that may be requested pursuant to the HSR Act and to promptly take any and all steps necessary to avoid or eliminate each and every impediment and obtain all consents that may be required pursuant to the HSR Act, so as to enable the parties hereto to consummate the Transactions.

(c) Each of the Company and the Purchaser shall use their respective reasonable best efforts to (i) cooperate in all respects with the other party in connection with any filing or submission with a Governmental Authority in connection with the Transactions and in connection with any investigation or other inquiry by or before a Governmental Authority relating to the Transactions, including any proceeding initiated by a private person, (ii) keep the other party

informed in all material respects and on a reasonably timely basis of any material communication received by the Company or the Purchaser, as the case may be, from or given by the Company or the Purchaser, as the case may be, to the Federal Trade Commission ("FTC"), the Department of Justice ("DOJ") or any other Governmental Authority and of any material communication received or given in connection with any proceeding by a private Person, in each case regarding the Transactions, (iii) subject to applicable Laws relating to the exchange of information, and to the extent reasonably practicable, consult with the other party with respect to information relating to such party and its respective Subsidiaries, as the case may be, that appears in any filing made with, or written materials submitted to, any third Person or any Governmental Authority in connection with the Transactions, other than "4(c) and 4(d) documents" as that term is used in the rules and regulations under the HSR Act and other confidential information contained in the HSR Form, and (iv) to the extent permitted by the FTC, the DOJ or such other applicable Governmental Authority or other Person, give the other party the opportunity to attend and participate in such meetings and conferences.

(d) Notwithstanding anything to the contrary in this Agreement (i) in no case shall the Company or the Purchaser be obligated to (and the Company shall not, without the written consent of the Purchaser, and in no event shall the Purchaser be deemed to have breached any representation, warranty, covenant or agreement for refusing to) become subject to, consent to or agree to, or otherwise take any action with respect to, any requirement, condition, understanding, agreement or order to sell, to hold separate or otherwise dispose of, or to conduct, restrict, operate, invest or otherwise change its respective assets or business (including those of its respective Affiliates (but for the avoidance of doubt excluding any Specified Persons, as to whom no such requirements, conditions, understandings, agreements or order shall apply in any event)) in any manner that, either individually or in the aggregate, (A) materially adversely affects the financial condition, business, or the operations of (x) the Company and its Subsidiaries, on a consolidated basis, or (y) the Purchaser and its Affiliates or (B) prohibits or materially limits the ownership, control or operation by (x) the Company and its Subsidiaries or (y) the Purchaser and its Affiliates of any material portion of its or their respective businesses or assets, or compels the Company or Purchaser or any of its Affiliates to dispose of or hold separate any of its material businesses or assets or any portion thereof; provided, however, that this Section 5.02(d) shall not apply to any such consent, agreement, action, consent, condition, understanding or order relating to the Company's interests in the Specified Business; and (ii) in no case shall Purchaser be obligated to consent or agree to any requirement, condition, understanding, agreement or restriction relating to the identity or independence of any Purchaser Designee or to the conduct of any Purchaser Director.

Section 5.03 Corporate Actions. (a) At any time that any Series A Preferred Stock is outstanding, the Company shall:

(i) from time to time take all lawful action within its control to cause the authorized capital stock of the Company to include a sufficient number of authorized but unissued shares of Common Stock to satisfy the conversion requirements of all shares of the Series A Preferred Stock then outstanding; and

(ii) not effect any voluntary deregistration under the Exchange Act or any voluntary delisting with the NYSE in respect of the Common Stock other than in connection with a Change of Control (as defined in the Certificate of Designations).

(b) Prior to the Initial Closing, the Company shall file with the DSS the Certificate of Designations in the form attached hereto as Annex I, with such changes thereto as the parties may reasonably agree.

(c) If any occurrence since the date of this Agreement until the Additional Closing would have resulted in an adjustment to the Conversion Rate pursuant to the Certificate of Designations if the Series A Preferred Stock had been issued and outstanding since the date of this Agreement, the Company shall adjust the Conversion Rate, effective as of the Additional Closing, in the same manner as would have been required by the Certificate of Designations if the Series A Preferred Stock issued on the Additional Closing Date had been issued and outstanding since the date of this Agreement.

(d) So long as the Purchaser is subject to and in compliance with Section 5.07 hereof, the Company shall (x) not adopt, approve or agree to adopt a stockholder rights agreement, "poison pill" or similar anti-takeover agreement or plan that is applicable to the Purchaser Parties unless the Company has excluded the Purchaser and the Specified Affiliates from the definition of "acquiring person" (or such similar term) as such term is defined in such anti-takeover agreement to the extent of the Purchaser's and the Permitted Transferees' beneficial ownership of Common Stock as result of the Purchaser's acquisition of Series A Preferred Stock under this Agreement and acquisitions otherwise permitted pursuant to the last sentence of Section 5.07, (y) take such actions as may be necessary to render inapplicable to (i) the Purchaser's acquisition of (and the Specified Affiliates' beneficial interest in) Series A Preferred Stock purchased under this Agreement and (ii) acquisitions otherwise permitted pursuant to the last sentence of Section 5.07, any control share acquisition, interested stockholder, business combination or similar anti-takeover provision (other than in the DGCL), and (z) not amend, modify or rescind the Section 203 Waiver. Purchaser acknowledges and agrees that if the Additional Closing hereunder does not occur, (i) the Section 203 Waiver shall upon termination of this Agreement no longer have any force or effect, *nunc pro tunc* and (ii) Purchaser agrees not to assert any claim that the Section 203 Waiver survives the termination of this Agreement.

Section 5.04 Public Disclosure. The Purchaser and the Company shall consult with each other before issuing, and give each other the opportunity to review and comment upon, any press release or other public statements with respect to the Transaction Agreements or the Transactions, and shall not issue any such press release or make any such public statement prior to such consultation, except as may be required by applicable Law, Judgment, court process or the rules and regulations of any national securities exchange or national securities quotation system. The Purchaser and the Company agree that the initial press release to be issued with respect to the Transactions following execution of this Agreement shall be in the form attached hereto as Annex III (the "Announcement"). Notwithstanding the forgoing, this Section 5.04 shall not apply to any press release or other public statement made by the Company or the Purchaser (a) which is consistent with the Announcement and does not contain any information relating to the Transactions that has

not been previously announced or made public in accordance with the terms of this Agreement or (b) is made in the ordinary course of business and does not relate specifically to the signing of the Transaction Documents or the Transactions.

Section 5.05 Confidentiality. The Purchaser will, and will cause their Affiliates and their respective Representatives to, keep confidential any information (including oral, written and electronic information) concerning the Company, its Subsidiaries or its Affiliates that may be furnished to any Purchaser, its Affiliates or its or their respective Representatives by or on behalf of the Company or any of its Representatives pursuant to (x) this Agreement, including any such information provided pursuant to Section 5.14 of this Agreement or (y) pursuant to the nondisclosure agreement, dated January 25, 2016, by and among the Purchaser, Liberty Media Corporation and the Company (the "Confidentiality Agreement") (the information referred to in clauses (x) and (y), collectively referred to as the "Confidential Information") and to use the Confidential Information solely for the purposes of monitoring, administering or managing the Purchaser's investment in the Company made pursuant to this Agreement; provided that the Confidential Information shall not include information that (i) was or becomes available to the public other than as a result of a disclosure by the Purchaser, any of its Affiliates or any of their respective Representatives in violation of this Section 5.05, (ii) was or becomes available to the Purchaser, any of its Affiliates or any of their respective Representatives from a source other than the Company or its Representatives, provided that such source is believed by the Purchaser not to be disclosing such information in violation of an obligation of confidentiality (whether by agreement or otherwise) to the Company, (iii) at the time of disclosure is already in the possession of the Purchaser, any of its Affiliates or any of their respective Representatives, provided that such information is believed by the Purchaser not to be subject to an obligation of confidentiality (whether by agreement or otherwise) to the Company, or (iv) was independently developed by the Purchaser, any of its Affiliates or any of their respective Representatives without reference to, incorporation of, or other use of any Confidential Information. The Purchaser agrees, on behalf of itself and its Affiliates and its and their respective Representatives, that Confidential Information may be disclosed solely (i) to the Purchaser's Affiliates and its and their respective Representatives on a need-to-know basis, (ii) to its stockholders, limited partners, members or other owners, as the case may be, regarding the general status of its investment in the Company (without disclosing specific confidential information), (iii) to any third-party that has entered into a confidentiality agreement with the Purchaser in form similar to the Confidentiality Agreement and (iv) in the event that the Purchaser, any of its Affiliates or any of its or their respective Representatives are requested or required by applicable Law, Judgment, stock exchange rule or other applicable judicial or governmental process (including by deposition, interrogatory, request for documents, subpoena, civil investigative demand or similar process) to disclose any Confidential Information, in each of which instances the Purchaser, its Affiliates and its and their respective Representatives, as the case may be, shall, to the extent legally permitted, provide notice to the Company sufficiently in advance of any such disclosure so that the Company will have a reasonable opportunity to timely seek to limit, condition or quash such disclosure.

Section 5.06 NYSE Listing of Shares; Shares Reserved for Issuance. As soon as practicable following the date of this Agreement, the Company shall apply to cause the aggregate number of shares of Common Stock issuable upon the conversion of the Acquired Shares, including Accrued Dividends (as defined in the Certificate of Designations) through the fifth anniversary of

the Additional Closing Date, to be approved for listing on the NYSE, subject to official notice of issuance. From time to time following the Initial Closing Date, the Company shall cause the number of shares of Common Stock issuable upon conversion of the then outstanding shares of Series A Preferred Stock to be approved for listing on the NYSE, subject to official notice of issuance. As soon as practicable following the date of this Agreement and in no event later than the Additional Closing Date, the Company shall have reserved for issuance the aggregate number of shares of Common Stock issuable upon the conversion of the Acquired Shares, including Accrued Dividends (as defined in the Certificate of Designations).

Section 5.07 Standstill. The Purchaser agrees that during the Applicable Standstill Period, without the prior written approval of the Board, the Purchaser will not, directly or indirectly, and will cause its Affiliates not to:

(a) acquire, offer or seek to acquire, agree to acquire or make a proposal to acquire, by purchase or otherwise, any securities or direct or indirect rights to acquire any equity securities of the Company or any of its Affiliates, any securities convertible into or exchangeable for any such equity securities, any options or other derivative securities or contracts or instruments in any way related to the price of shares of Common Stock or substantially all of the assets or property of the Company and its Subsidiaries (but in any case excluding any issuance by the Company of shares of Company Common Stock or options, warrants or other rights to acquire Common Stock (or the exercise thereof) to any Purchaser Director (A) as compensation for their membership on the Board or (B) as a result of a dividend payment on, or the conversion of, the Series A Preferred Stock pursuant to the provisions of the Certificate of Designations).

(b) make or in any way encourage or participate in any "solicitation" of "proxies" (whether or not relating to the election or removal of directors), as such terms are used in the rules of the SEC, to vote, or knowingly seek to advise or influence any Person with respect to voting of, any voting securities of the Company or any of its Subsidiaries (excluding any votes required for the approval of the Transactions), or call or seek to call a meeting of the Company's stockholders or initiate any stockholder proposal for action by the Company's stockholders, or other than with respect to the Purchaser Director, seek election to or to place a representative on the Board or seek the removal of any director from the Board;

(c) make any public announcement with respect to, or offer, seek, propose or indicate an interest in (in each case with or without conditions), any merger, consolidation, business combination, tender or exchange offer, recapitalization, reorganization or purchase of all or substantially all of the assets of the Company and its Subsidiaries, or any other extraordinary transaction involving the Company or any Subsidiary of the Company or any of their respective securities, or enter into any discussions, negotiations, arrangements, understandings or agreements (whether written or oral) with any other Person regarding any of the foregoing; provided that the Purchaser may make confidential proposals to the Board of Directors of the Company regarding mergers, consolidations or other business combinations with the Company or a purchase of all or substantially all of the Company's assets so long as such proposals would not reasonably be expected to require any public disclosure by the Company;

(d) otherwise act, alone or in concert with others, to seek to control or influence, in any manner, management or the board of directors of the Company or any of its Subsidiaries (other than in the capacity of the Purchaser Director);

(e) make any proposal or statement of inquiry or disclose any intention, plan or arrangement inconsistent with any of the foregoing;

(f) advise, assist, knowingly encourage or direct any Person to do, or to advise, assist, encourage or direct any other Person to do, any of the foregoing;

(g) take any action that would, in effect, require the Company to make a public announcement with respect to any of the foregoing;

(h) enter into any discussions, negotiations, arrangements or understandings with any third party (including, without limitation, security holders of the Company, but excluding, for the avoidance of doubt, the Purchaser or any Specified Affiliate) with respect to any of the foregoing, including, without limitation, forming, joining or in any way participating in a "group" (as defined in Section 13(d)(3) of the Exchange Act) with any third party with respect to any securities of the Company or otherwise in connection with any of the foregoing;

(i) request the Company or any of its Representatives, directly or indirectly, to amend or waive any provision of this Section 5.07, provided that this clause shall not prohibit the Purchaser or any Specified Affiliate from making a confidential request to the Company seeking an amendment or waiver of the provisions of this Section 5.07, which the Company may accept or reject in its sole discretion, so long as any such request is made in a manner that does not require public disclosure thereof by any Person; or

(j) contest the validity of this Section 5.07 or make, initiate, take or participate in any demand, Action (legal or otherwise) or proposal to amend, waive or terminate any provision of this Section 5.07;

provided, however, that nothing in this Section 5.07 will limit (1) the ability of Purchaser or any Specified Affiliates to vote (subject to Section 5.11), Transfer (subject to Section 5.08), convert (subject to Section 6 of the Certificate of Designations) or otherwise exercise rights under its Common Stock or Series A Preferred Stock or (2) the ability of any Purchaser Director to vote or otherwise exercise his or her legal duties or otherwise act in his or her capacity as a member of the Board. Notwithstanding the expiration of the Applicable Standstill Period with respect to Section 5.07(a), until the Fall-Away of Purchaser Board Rights, the Purchaser and its Affiliates shall not acquire beneficial ownership (calculated pursuant to Rule 13d-3 of the Securities Exchange Act) of more than 31.5% of the outstanding shares of Common Stock of the Company without the prior approval of the Board.

Section 5.08 Transfer Restrictions. (a) Except as otherwise permitted in Section 5.08(b), until the earlier of (i) the date that is eighteen (18) months after the Initial Closing Date, (ii) if this Agreement is terminated prior to the Additional Closing, the date of such termination and (iii) a Fundamental Change, the Purchaser will not (1) Transfer any Series A Preferred Stock or any

Common Stock issued upon conversion of the Series A Preferred Stock or (2) make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a short sale of or the purpose of which is to offset the loss which results from a decline in the market price of, any shares of Series A Preferred Stock or Common Stock, or otherwise establish or increase, directly or indirectly, a put equivalent position, as defined in Rule 16a-1(h) under the Exchange Act, with respect to any of the Series A Preferred Stock, the Common Stock or any other capital stock of the Company (any such action, a "Hedge").

(b) Notwithstanding Section 5.08(a), the Purchaser or any Permitted Transferee shall be permitted to Transfer any portion or all of their Series A Preferred Stock or Common Stock issued upon conversion of the Series A Preferred Stock at any time under the following circumstances:

(i) Transfers to any Permitted Transferees of the Purchaser or any other Permitted Transferee (or to Purchaser), but only if the transferee (if not the Purchaser) agrees in writing prior to such Transfer for the express benefit of the Company (in form and substance reasonably satisfactory to the Company and with a copy thereof to be furnished to the Company) to be bound by all of the terms of this Agreement applicable to the Purchaser and the transferee and the transferor agree for the express benefit of the Company that the transferee shall Transfer the Series A Preferred Stock or Common Stock so Transferred back to the transferor at or before such time as the transferee ceases to be a Permitted Transferee of the transferor;

(ii) Transfers pursuant to a merger, consolidation or other business combination involving the Company;

(iii) Transfers pursuant to a tender offer or exchange offer for 100% of the equity securities of the Company made by a Person who is not an Affiliate of any holder of Series A Preferred Stock; and

(iv) Transfers that have been approved by the Board, subject to such conditions as the Board determines.

(c) Notwithstanding Sections 5.08(a) and (b), the Purchaser will not at any time, directly or knowingly indirectly (without the prior written consent of the Board) Transfer any Series A Preferred Stock or Common Stock issued upon conversion of the Series A Preferred Stock to a Prohibited Transferee; provided, however, that this Section 5.08(c) shall not restrict (i) any Transfer into the public market pursuant to a bona-fide, broadly distributed underwritten public offering made pursuant to the Registration Rights Agreement, (ii) any Transfer to a broker-dealer in a block sale so long as such broker-dealer is purchasing such securities for its own account and makes block trades in the ordinary course of its business, (iii) any Transfer pursuant to a merger, consolidation or other business combination involving the Company or (iv) any Transfer pursuant to a tender offer or exchange offer for 100% of the equity securities of the Company made by a Person who is not an Affiliate of any holder of Series A Preferred Stock.

(d) Any attempted Transfer in violation of this Section 5.08 shall be null and void *ab initio*.

(e) If this Agreement is terminated and the Additional Closing does not occur, the Company agrees, at the written request of Purchaser, to exchange on a one-for-one basis a number of shares of Series A Preferred Stock for that number of shares of Mirror Preferred Stock that may be acquired by the Purchaser in compliance with applicable law, including the HSR Act. Any such exchange will not have any effect on the terms of the shares of Series A Preferred Stock that remain outstanding following such exchange.

Section 5.09 Legend. (a) All certificates or other instruments representing the Series A Preferred Stock or Common Stock issued upon conversion of the Series A Preferred Stock will bear a legend substantially to the following effect:

THE SECURITIES REPRESENTED BY THIS INSTRUMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE AND MAY NOT BE TRANSFERRED, SOLD OR OTHERWISE DISPOSED OF EXCEPT WHILE A REGISTRATION STATEMENT RELATING THERETO IS IN EFFECT UNDER SUCH ACT AND APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER SUCH ACT OR SUCH LAWS.

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO TRANSFER AND OTHER RESTRICTIONS SET FORTH IN AN INVESTMENT AGREEMENT, DATED AS OF JUNE 8, 2017, COPIES OF WHICH ARE ON FILE WITH THE SECRETARY OF THE ISSUER.

(b) Upon request of the Purchaser or any Permitted Transferee, upon receipt by the Company of an opinion of counsel reasonably satisfactory to the Company to the effect that such legend is no longer required under the Securities Act and applicable state securities laws, the Company shall promptly cause the first paragraph of the legend to be removed from any certificate for any Series A Preferred Stock or Common Stock to be Transferred in accordance with the terms of this Agreement and the second paragraph of the legend shall be removed upon the expiration of such transfer and other restrictions set forth in this Agreement (and, for the avoidance of doubt, immediately prior to any termination of this Agreement).

Section 5.10 Election of Directors.

(a) Upon the occurrence of the Fall-Away of Purchaser Board Rights, at the written request of the Board, the Purchaser Directors shall immediately resign, and the Purchaser shall cause the Purchaser Directors immediately to resign, from the Board effective as of the date of the Fall-Away of Purchaser Board Rights, and the Purchaser shall no longer have any rights under this Section 5.10, including, for the avoidance of doubt, any designation and/or nomination rights under Section 5.10(c). After the second anniversary of the Additional Closing, at the written request of the Board, one Purchaser Director shall immediately resign, and the Purchaser shall cause such

Purchaser Director to immediately resign from the Board. Purchaser shall select the identity of the resigning director in its sole discretion.

(b) From and after the Additional Closing, until the occurrence of the Fall-Away of Purchaser Board Rights, at each annual meeting of the Company's stockholders, the Purchaser shall have the right to designate three Purchaser Designees for election (in accordance with Section 15 of the Certificate of Designations) to the Board at such annual meeting; provided that (i) after the second anniversary of the Additional Closing Date or (ii) if the 75% Beneficial Ownership Test is not met, the Purchaser shall have the right to designate only two Purchaser Designees for election to the Board. Subject to Section 5.10(e), the Company shall include the three or two, as applicable, Purchaser Directors designated by the Purchaser in accordance with this Section 5.10(c) in the Company's slate of nominees as "Purchaser Designees" (in accordance with Section 15 of the Certificate of Designations) for each relevant annual meeting of the Company's stockholders and shall recommend that the holders of the Series A Preferred Stock vote in favor of such Purchaser Designees and shall support such Purchaser Designees in a manner no less rigorous and favorable than the manner in which the Company supports its other nominees in the aggregate.

(c) Until the occurrence of the Fall-Away of Purchaser Board Rights and except with respect to a resignation of a Purchaser Director pursuant to the second sentence of Section 5.10(a), in the event of the death, disability, resignation or removal of any Purchaser Director as a member of the Board, the Purchaser may designate a Purchaser Designee to replace such Purchaser Director and, subject to Section 5.10(e) and any applicable provisions of the DGCL, the Company shall cause such Purchaser Designee to fill such resulting vacancy.

(d) The Purchaser will cause the Purchaser Designee to make himself or herself reasonably available for interviews and to consent to such reference and background checks or other investigations as the Board may reasonably request from any individual nominated as a director of the Company and no Purchaser Designee shall be eligible to serve on the Board if he or she has been involved in any of the events enumerated under Item 2(d) or (2) of Schedule 13D under the Exchange Act or Item 401(f) of Regulation S-K under the Securities Act or is subject to any Judgment prohibiting service as a director of any public company. As a condition to any Purchaser Designee's election to the Board or nomination for election as a director of the Company at any meeting of the Company's stockholders, the Purchaser and the Purchaser Designee must provide to the Company:

(i) all information requested by the Company that is required to be or is customarily disclosed for directors, candidates for directors and their respective Affiliates and Representatives in a proxy statement or other filings in accordance with applicable Law, any stock exchange rules or listing standards or the Company Charter Documents or corporate governance guidelines, in each case, relating to the Purchaser Designee's election as a director of the Company;

(ii) all information requested by the Company in connection with assessing eligibility, independence and other criteria applicable to directors or satisfying compliance and legal or regulatory obligations, in each case, relating to the Purchaser Designee's nomination or election, as applicable, as a director of the Company or the Company's operations in the ordinary course of business;

(iii) an undertaking in writing by the Purchaser Designee:

a. to be subject to, bound by and duly comply with the code of conduct in the form agreed upon by the other directors of the Company; and

b. to recuse himself or herself from any deliberations or discussion of the Board or any committee thereof regarding any Transaction Agreement or the Transactions.

(e) The Company shall indemnify the Purchaser Director and provide the Purchaser Director with director and officer insurance to the same extent as it indemnifies and provides such insurance to other members of the Board, pursuant to the Company Charter Documents, the DGCL or otherwise.

(f) From and after the Additional Closing, until the occurrence of the Fall-Away of Purchaser Board Rights, one Purchaser Director designed by the Purchaser shall be designated as a member of the Company's Nominating and Corporate Governance Committee and one Purchaser Director designated by the Purchaser shall be designated a member of the Company's Compensation Committee, provided that such Purchaser Directors satisfy all applicable securities laws, the DGCL and NYSE listing rules and regulations that are required to serve on such committees.

(g) From and after the Additional Closing, until the 75% Beneficial Ownership Test is not met, one Purchaser Director designed by the Purchaser shall be designated as the Chairman of the Board.

(h) If there is a proposed a sale of the Company or other Fundamental Change, no Purchaser Director shall be included in any committee of the Board that is established to evaluate and/or approve such transaction.

Section 5.11 Voting. Until the Fall-Away of Purchaser Board Rights:

(a) At each meeting of the stockholders of the Company for the election of directors following the execution of this Agreement and at every postponement or adjournment thereof, the Purchaser shall, and shall cause the Purchaser to, at each applicable meeting of the stockholders of the Company, take such action as may be required so that all of the shares of the Series A Preferred Stock beneficially owned, directly or indirectly, by the Purchaser and entitled to vote at such meeting of stockholders (subject to the voting limitations in the Certificate of Designations) are voted in favor of each Purchaser Designee, who shall be nominated and recommended by the Board for election at any such meeting; provided that the Purchaser shall not be under any obligation to vote in the same manner as recommended by the Board or in any other manner, other than in the Purchaser's sole discretion, with respect to any other matter, including the approval (or non-approval) or adoption (or non-adoption) of, or other proposal directly related to, any merger or other business combination transaction involving the Company, the sale of all or substantially all of the assets of the Company and its Subsidiaries or any other change of control transaction involving the Company; and

(b) Until the Fall-Away of Purchaser Board Rights, the Purchaser shall, and shall (to the extent necessary to comply with this Section 5.11) cause the Purchaser to, be present, in person or by proxy, at all meetings of the stockholders of the Company so that all shares of Series A Preferred Stock or Common Stock beneficially owned by the Purchaser or the Purchaser may be counted for the purposes of determining the presence of a quorum and voted in accordance with Section 5.11(a) at such meetings (including at any adjournments or postponements thereof).

(c) The provisions of this Section 5.11 shall not apply to the exclusive consent and voting rights of the holders of Series A Preferred Stock set forth in Section 15 of the Certificate of Designations and Section 5.10.

Section 5.12 Tax Matters. (a) The Company and its paying agent shall be entitled to withhold Taxes on all payments and distributions (or deemed distributions) on the Series A Preferred Stock or Common Stock or other securities issued upon conversion of the Series A Preferred Stock to the extent required by applicable Law. Prior to the date of any such payment, the Purchaser, and each Permitted Transferee with respect to the Series A Preferred Stock, shall have delivered to the Company or its paying agent a duly executed, valid, accurate and properly completed Internal Revenue Service ("IRS") Form W-9, certifying that such Purchaser is a U.S. Person exempt from U.S. federal backup withholding tax.

(b) The Company shall pay any and all documentary, stamp and similar issue or transfer Tax due on (x) the issue of the Series A Preferred Stock and (y) the issue of shares of Common Stock upon conversion of the Series A Preferred Stock. However, in the case of conversion of Series A Preferred Stock, the Company shall not be required to pay any Tax or duty that may be payable in respect of any transfer involved in the issue and delivery of shares of Common Stock or Series A Preferred Stock to a beneficial owner other than the beneficial owner of the Series A Preferred Stock immediately prior to such conversion, and no such issue or delivery shall be made unless and until the person requesting such issue has paid to the Company the amount of any such Tax or duty, or has established to the satisfaction of the Company that such Tax or duty has been paid.

Section 5.13 Use of Proceeds. The Company shall use the proceeds from the issuance and sale of the Acquired Shares (a) to pay for any costs, fees and expenses incurred in connection with the Transactions and/or (b) for general corporate purposes.

Section 5.14 Participation.

(a) For the purposes of this Section 5.14, "Excluded Issuance" shall mean (i) the issuance of any shares of equity securities that is subject to Section 12 of the Certificate of Designations, but solely to the extent than an adjustment is made or the holders of Series A Preferred Stock participate in such issuance pursuant to Section 12 of the Certificate of Designations, (ii) the issuance of shares of any equity securities (including upon exercise of options) to directors, officers, employees, consultants or other agents of the Company as approved by the Board, (iii) the issuance of shares of any equity securities pursuant to an employee stock option plan, management incentive plan, restricted stock plan, stock purchase plan or stock, ownership plan or similar benefit plan, program or agreement as approved by the Board, (iv) the issuance of shares of equity securities in

connection with any "business combination" (as defined in the rules and regulations promulgated by the SEC) or otherwise in connection with bona fide acquisitions of securities or substantially all of the assets of another Person, business unit, division or business, (v) securities issued pursuant to the conversion, exercise or exchange of Series A Preferred Stock issued to the Purchaser, (vi) shares of a Subsidiary of the Company issued to the Company or a Wholly-Owned Subsidiary of the Company, (vii) securities of a joint venture (provided that no Affiliate (other than any Subsidiary of the Company) of the Company acquires any interest in such securities in connection with such issuance) or (viii) the issuance of bonds, debentures, notes or similar debt securities convertible into Common Stock into the public market pursuant to a bona-fide, broadly distributed underwritten public offering, if the conversion or exercise price is at least the greater of (x) the then applicable Conversion Price (as defined in the Certificate of Designations) and (y) the Current Market Price (as defined in the Certificate of Designations) as of the date the Company would have been required to give the Purchaser notice of such issuance if it were not an Excluded Issuance.

(b) Until the occurrence of the Fall-Away of Purchaser Board Rights, if the Company proposes to issue equity securities of any kind (the term "equity securities" shall include for these purposes Common Stock and any warrants, options or other rights to acquire, or any securities that are exercisable for, exchangeable for or convertible into, Common Stock or any other class of capital stock of the Company), other than in an Excluded Issuance, then the Company shall:

(i) give written notice to the Purchaser (no less than ten (10) Business Days prior to the closing of such issuance, setting forth in reasonable detail (A) the designation and all of the terms and provisions of the securities proposed to be issued (the "Proposed Securities"), including, to the extent applicable, the voting powers, preferences and relative participating, optional or other special rights, and the qualification, limitations or restrictions thereof and interest rate and maturity; (B) the price and other terms of the proposed sale of such securities; and (C) the amount of such securities proposed to be issued; provided that following the delivery of such notice, the Company shall deliver to the Purchaser any such information the Purchaser may reasonably request in order to evaluate the proposed issuance, except that the Company shall not be required to deliver any information that has not been or will not be provided or otherwise made available to the proposed purchasers of the Proposed Securities; and

(ii) offer to issue and sell to the Purchaser, on such terms as the Proposed Securities are issued and upon full payment by the Purchaser, a portion of the Proposed Securities equal to a percentage determined by dividing (A) the number of shares of Common Stock the Purchaser beneficially owns (on an as converted basis) by (B) the total number of shares of Common Stock then outstanding (on an as-converted basis) (such percentage, the Purchaser's "Participation Portion"); provided, however, that to the extent the purchase of any portion of the Proposed Securities by the Purchaser would require Shareholder Approval, (i) the Company shall issue and sell to the Purchaser securities that do not require the Company to obtain Shareholder Approval in respect of such issuance, which securities shall be economically equivalent and otherwise as substantially similar as possible to such

Proposed Securities and (ii) at the written request of the Purchaser, the Company shall hold a meeting of its shareholders for the purpose of obtaining the Shareholder Approval within one hundred twenty (120) days following such request and use its commercially reasonable efforts to obtain Shareholder Approval; provided that if the Shareholder Approval is not obtained at such meeting, upon the written request of holders holding a majority of the outstanding Series A Preferred Stock, the Company shall use its commercially reasonable efforts to obtain the Shareholder Approval at any subsequent annual meeting of the Company's shareholders until the Shareholder Approval is obtained.

(c) Subject to the limitations in the Certificate of Designations, the Purchaser will have the option, exercisable by written notice to the Company, to accept the Company's offer and commit to purchase any or all of the equity securities offered to be sold by the Company to the Purchaser, which notice must be given within seven (7) Business Days after receipt of such notice from the Company. If the Company offers two (2) or more securities in units to the other participants in the offering, the Purchaser must purchase such units as a whole and will not be given the opportunity to purchase only one (1) of the securities making up such unit. The closing of the exercise of such subscription right shall take place simultaneously with the closing of the sale of the Proposed Securities giving rise to such subscription right; provided, however, that the closing of any purchase by the Purchaser may be extended beyond the closing of the sale of the Proposed Securities giving rise to such preemptive right to the extent necessary to obtain required approvals from any Governmental Authority. Upon the expiration of the offering period described above, the Company will be free to sell such Proposed Securities that the Purchaser has not elected to purchase during the 90 days following such expiration on terms and conditions no more favorable to the purchasers thereof than those offered to the Purchaser in the notice delivered in accordance with Section 5.14(b). Any Proposed Securities offered or sold by the Company after such 90-day period shall be reoffered to the Purchaser pursuant to this Section 5.14.

(d) The election by the Purchaser not to exercise its subscription rights under this Section 5.14 in any one instance shall not affect their right as to any subsequent proposed issuance.

(e) Notwithstanding anything in this Section 5.14 to the contrary, the Company will not be deemed to have breached this Section 5.14 if not later than thirty (30) Business Days following the issuance of any Proposed Securities in contravention of this Section 5.14, the Company or the transferee of such Proposed Securities offers to sell a portion of such equity securities or additional equity securities of the type(s) in question to the Purchaser so that, taking into account such previously-issued Proposed Securities and any such additional Proposed Securities, the Purchaser will have had the right to purchase or subscribe for Proposed Securities in a manner consistent with the allocation and other terms and upon same economic and other terms provided for in Sections 5.14(b) and 5.14(c).

(f) In the case of an issuance subject to this Section 5.14 for consideration in whole or in part other than cash, including securities acquired in exchange therefor (other than

securities by their terms so exchangeable), the consideration other than cash shall be deemed to be the Fair Market Value thereof.

Section 5.15 FCC. If the parties reasonably determine that approval of the Transactions by the FCC is required, then the Company hereby agrees to dispose of Radio Station KXMZ or return the license of Radio Station KXMZ to the FCC for cancellation, in either case no later than September 30, 2017.

Section 5.16 Reimbursement of Expenses. From time to time after the Initial Closing Date, the Purchaser shall receive reimbursement from the Company for all reasonable and documented legal and other out-of-pocket fees and expenses, including reasonable travel expenses, incurred in connection with the negotiation, execution and performance of the Transaction Documents, up to a maximum amount of $750,000 in the aggregate.

Section 5.17 Section 16b-3. So long as the Purchaser has the right to designate at least one Purchaser Designee, the Board shall take such action as is necessary to cause the exemption of acquisitions of the Acquired Shares at the Initial Closing and the Additional Closing, any acquisition of securities from the Company by the Purchaser on any Dividend Payment Date, any purchase of securities representing the Participation Portion pursuant to Section 5.14 by the Purchaser, the disposition of shares of Series A Preferred Stock and the acquisition of shares of Common Stock upon the conversion of any shares of Series A Preferred Stock, and any other disposition of securities to or acquisition of securities from the Company, as applicable, from the liability provisions of Section 16(b) of the Exchange Act ("Section 16(b)") pursuant to Rule 16b-3.

Section 5.18 Sale of Specified Business. The Company shall sell the Specified Business as promptly as reasonably practicable after the date hereof to the extent necessary to obtain such approvals or clearances from such Governmental Authorities as is necessary to consummate the Transactions as promptly as practicable. The Company shall keep the Purchaser reasonably informed of the status of the sale of the Specified Business.

ARTICLE VI

Conditions to Closing

Section 6.01 Conditions to the Obligations of the Company and the Purchaser. The respective obligations of each of the Company and the Purchaser to effect the Initial Closing or the Additional Closing, as applicable, shall be subject to the satisfaction (or waiver, if permissible under applicable Law) on or prior to the Initial Closing Date or Additional Closing Date, as applicable, of the following condition:

(a) no temporary or permanent Judgment shall have been enacted, promulgated, issued, entered, amended or enforced by any Governmental Authority nor shall any proceeding brought by a Governmental Authority seeking any of the foregoing be pending, or any applicable Law shall be in effect enjoining or otherwise prohibiting consummation of the Transactions (collectively, "Restraints"); and

(b) the Company shall have terminated the Investment Agreement, dated as of May 8, 2017, by and between the Company and KKR Classic Investors LLC.

Section 6.02 Conditions to the Obligations of the Company. The obligations of the Company to effect the Initial Closing or the Additional Closing, as applicable, shall be further subject to the satisfaction (or waiver, if permissible under applicable Law) on or prior to the Initial Closing Date or Additional Closing Date, as applicable, of the following conditions:

(a) the representations and warranties of the Purchaser set forth in this Agreement shall be true and correct in all material respects as of the date hereof and as of the Initial Closing Date or Additional Closing Date, as applicable, with the same effect as though made as of the Initial Closing Date or Additional Closing Date, as applicable (except to the extent expressly made as of an earlier date, in which case as of such earlier date), except where the failure to be true and correct would not, individually or in the aggregate, reasonably be expected to have a Purchaser Material Adverse Effect;

(b) the Purchaser shall have complied with or performed in all material respects its obligations required to be complied with or performed by it pursuant to this Agreement at or prior to the Initial Closing or Additional Closing, as applicable; and

(c) the Company shall have received a certificate, signed on behalf of each of the Purchaser by an executive officer thereof, certifying that the conditions set forth in Section 6.02(a) and Section 6.02(b) have been satisfied as of the Initial Closing or the Additional Closing, as applicable.

Section 6.03 Conditions to the Obligations of the Purchaser. The obligations of the Purchaser to effect the Initial Closing or the Additional Closing, as applicable, shall be further subject to the satisfaction (or waiver, if permissible under applicable Law) on or prior to the Initial Closing Date or the Additional Closing Date, as applicable, of the following conditions:

(a) the representations and warranties of the Company (i) set forth in Sections 3.01, 3.02(a), 3.03(a), 3.08, 3.09, 3.12, 3.13, 3.14, 3.15 and 3.16 shall be true and correct in all material respects as of the date hereof and as of the Initial Closing Date or the Additional Closing Date, as applicable, with the same effect as though made as of the Initial Closing Date or the Additional Closing Date, as applicable (except to the extent expressly made as of an earlier date, in which case as of such earlier date) and (ii) set forth in this Agreement, other than in Sections 3.01, 3.02(a), 3.03(a), 3.08, 3.09, 3.12, 3.13, 3.14, 3.15 and 3.16, shall be true and correct (disregarding all qualifications or limitations as to "materiality", "Material Adverse Effect" and words of similar import set forth therein) as of the Initial Closing Date or the Additional Closing Date, as applicable, with the same effect as though made as of the date hereof and as of the Initial Closing Date or the Additional Closing Date, as applicable (except to the extent expressly made as of an earlier date, in which case as of such earlier date), except, in the case of this clause (ii), where the failure to be true and correct would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect;

(b) the Company shall have complied with or performed in all material respects its obligations required to be complied with or performed by it pursuant to this Agreement at or prior to the Initial Closing or the Additional Closing, as applicable;

(c) the Purchaser shall have received a certificate, signed on behalf of the Company by an executive officer thereof, certifying that the conditions set forth in Section 6.03(a) and Section 6.03(b) have been satisfied as of the Initial Closing or the Additional Closing, as applicable;

(d) the Company shall have duly adopted and filed with the DSS the Certificate of Designations, and the Certificate of Designations shall have been accepted for record by the DSS and a certified copy thereof shall have been delivered to the Purchaser;

(e) the Purchaser (or its counsel) shall have received a counterpart of this Agreement and each other Transaction Document signed by each of the requisite parties thereto (which may include delivery of a signed signature page of this Agreement and each other Transaction Document by facsimile or other means of electronic transmission (e.g., "pdf"));

(f) the Purchaser shall have received a written opinion of Sidley Austin LLP (i) dated as of the Initial Closing Date, (ii) addressed to the Purchaser and (iii) in form and substance reasonably satisfactory to the Purchaser covering the following matters with respect to the Company: due incorporation, valid existence and good standing; due authorization, execution and delivery of the Investment Agreement and Registration Rights Agreement; no conflict with organizational documents, applicable law, the Credit Agreement and the Indenture; no governmental consent; the shares of Series A Preferred Stock to be issued under this Agreement are validly issued, fully paid and non-assessable; no registration; and 1940 Act compliance;

(g) the Purchaser shall have received a certificate of the Secretary or Assistant Secretary or similar officer of the Company dated as of the Initial Closing Date or the Additional Closing Date, as applicable, and certifying and attaching:

(i) a copy of the certificate of incorporation or other equivalent constituent and governing documents, including all amendments thereto (including, the Certificates of Designation), of the Company, certified as of a recent date by the DSS;

(ii) a certificate as to the good standing of the Company as of a recent date from the DSS;

(iii) that attached thereto is a true and complete copy of the by-laws (or other equivalent constituent and governing documents) of the Company as in effect on the Initial Closing Date and at all times since a date prior to the date of the resolutions described in Section 6.03(i)(iv);

(iv) that attached thereto is a true and complete copy of resolutions duly adopted by the board of directors (or equivalent governing body) of the Company authorizing the execution, delivery and performance of this Agreement and each other Transaction

Document dated as of the Initial Closing Date to which the Company is a party, the filing of the Certificates of Designation with the DSS, the sale and purchase of the Series A Preferred Stock hereunder, the decrease in the number of directors which constitute the Company's board of directors to nine directors and the election to the board of directors of the three Purchaser Designees, effective as of the Additional Closing, and that such resolutions have not been modified, rescinded or amended and are in full force and effect on the Initial Closing Date;

(v) as to the incumbency and specimen signature of each officer executing this Agreement, any other Transaction Document or any other document delivered in connection herewith or therewith on behalf of the Company; and

(vi) as to the absence of any pending proceeding for the dissolution or liquidation of the Company or, to the knowledge of the Company, threatening the existence of the Company.

Section 6.04 Conditions to the Additional Closing.

(a) The respective obligations of each of the Company and the Purchaser to effect the Additional Closing shall be further subject to the satisfaction (or waiver, if permissible under applicable Law) on or prior to the Additional Closing Date of the following conditions:

(i) the waiting period (and any extension thereof) applicable to the consummation of Transactions under the HSR Act shall have expired or early termination thereof shall have been granted.

(b) The obligations of the Purchaser to effect the Additional Closing shall be subject to the satisfaction (or waiver, if permissible under applicable Law) on or prior to the Additional Closing Date of the following conditions:

(i) the aggregate number of shares of Common Stock issuable upon conversion of all shares of Series A Preferred Stock, including Accrued Dividends (as defined in the Certificate of Designations) through the fifth anniversary of the Additional Closing Date, shall have been approved for listing on the NYSE, subject to official notice of issuance; and

(ii) the Board shall have taken all actions necessary and appropriate to elect each of the Purchaser Designees to the Board, effective immediately upon the Additional Closing and none of the Purchaser Designees or Purchaser Directors, as applicable, shall be subject to any requirement, condition, understanding, agreement or restriction relating to their service on the Board based on the identity or independence of any Purchaser Designee or to the conduct of any Purchaser Director, except as contemplated by Section 5.10(f).

ARTICLE VII

Termination; Survival

Section 7.01 Termination. This Agreement may be terminated and the Transactions abandoned at any time prior to the Additional Closing:

(a) by the mutual written consent of the Company and the Purchaser;

(b) by either the Company or the Purchaser upon written notice to the other, if the Additional Closing should not have occurred on or prior to February 1, 2018 (the "Termination Date"); provided, however, that if on the initial Termination Date the condition set forth in Section 6.04(a) is not satisfied but all the other conditions to Closing set forth in Article VI are satisfied or waived (other than those conditions that by their nature are to be satisfied at the Closing, but subject to those conditions being capable of being satisfied), then the Purchaser or the Company may, by providing written notice to the other prior to 5:00 p.m., New York City time, on such initial Termination Date, extend the Termination Date to sixty days after the initial Termination Date in which case the Termination Date shall be deemed for all purposes to be such later date; provided that the right to terminate this Agreement under this Section 7.01(b) shall not be available to any party if the breach by such party of its representations and warranties set forth in this Agreement or the failure of such party to perform any of its obligations under this Agreement has been a principal cause of or primarily resulted in the events specified in this Section 7.01(b);

(c) by either the Company or the Purchaser if any Restraint enjoining or otherwise prohibiting consummation of the Transactions shall be in effect and shall have become final and nonappealable prior to the Additional Closing Date; provided that the party seeking to terminate this Agreement pursuant to this Section 7.01(c) shall have used the required efforts to cause the conditions to Initial Closing or Additional Closing, as applicable, to be satisfied in accordance with Section 5.02;

(d) by the Purchaser if the Company shall have breached any of its representations or warranties or failed to perform any of its covenants or agreements set forth in this Agreement, which breach or failure to perform (i) would give rise to the failure of a condition set forth in Section 6.03(a) or Section 6.03(b) and (ii) has not been waived by the Purchaser or is incapable of being cured prior to the Termination Date, or if capable of being cured, shall not have been cured within thirty (30) calendar days (but in no event later than the Termination Date) following receipt by the Company of written notice of such breach or failure to perform from the Purchaser stating the Purchaser's intention to terminate this Agreement pursuant to this Section 7.01(d) and the basis for such termination; provided that the Purchaser shall not have the right to terminate this Agreement pursuant to this Section 7.01(d) if the Purchaser is then in material breach of any of its representations, warranties, covenants or agreements hereunder which breach would give rise to the failure of a condition set forth in Section 6.02(a) or Section 6.02(b); or

(e) by the Company if the Purchaser shall have breached any of its representations or warranties or failed to perform any of its covenants or agreements set forth in this Agreement, which breach or failure to perform (i) would give rise to the failure of a condition

set forth in Section 6.02(a) or Section 6.02(b) and (ii) is incapable of being cured prior to the Termination Date, or if capable of being cured, shall not have been cured within thirty (30) calendar days (but in no event later than the Termination Date) following receipt by the Purchaser of written notice of such breach or failure to perform from the Company stating the Company's intention to terminate this Agreement pursuant to this Section 7.01(e) and the basis for such termination; provided that the Company shall not have the right to terminate this Agreement pursuant to this Section 7.01(e) if the Company is then in material breach of any of its representations, warranties, covenants or agreements hereunder which breach would give rise to the failure of a condition set forth in Section 6.03(a) or Section 6.03(b).

Section 7.02 Effect of Termination. In the event of the termination of this Agreement as provided in Section 7.01, written notice thereof shall be given to the other party, specifying the provision hereof pursuant to which such termination is made, and this Agreement shall forthwith become null and void (other than Section 5.03, this Section 7.02, Section 7.03 and Article VIII, all of which shall survive termination of this Agreement and the Confidentiality Agreement (which shall survive in accordance with its terms except as otherwise provided herein)), and there shall be no liability on the part of the Purchaser or the Company or their respective directors, officers and Affiliates in connection with this Agreement, except that no such termination shall relieve any party from liability for damages to another party resulting from a willful and material breach of this Agreement prior to the date of termination or from fraud; provided that, notwithstanding any other provision set forth in this Agreement, except in the case of fraud, the Company shall not have any such liability in excess of the Purchase Price for all of the Acquired Shares and the Purchaser shall not have any liability in excess of the Purchase Price for the Acquired Shares to be purchased by such Purchaser.

Section 7.03 Survival. All of the covenants or other agreements of the parties contained in this Agreement shall survive until fully performed or fulfilled, unless and to the extent that non-compliance with such covenants or agreements is waived in writing by the party entitled to such performance. Except for the warranties and representations contained in Sections 3.01, 3.02(a), 3.03(a), 3.12, 3.13, 3.14 and 3.16 and the representations and warranties contained in Article IV, which shall survive until the sixth (6th) anniversary of the Initial Closing Date (or, if the Additional Closing occurs, the Additional Closing Date), the representations and warranties made herein shall survive for twelve (12) months following the Initial Closing Date (or, if the Additional Closing occurs, the Additional Closing Date) and shall then expire; provided that nothing herein shall relieve any party of liability for any inaccuracy or breach of such representation or warranty to the extent that any good faith allegation of such inaccuracy or breach is made in writing prior to such expiration by a Person entitled to make such claim pursuant to the terms and conditions of this Agreement. For the avoidance of doubt, claims may be made with respect to the breach of any representation, warranty or covenant until the applicable survival period therefor as described above expires.

ARTICLE VIII

Miscellaneous

Section 8.01 Amendments; Waivers. Subject to compliance with applicable Law, this Agreement may be amended or supplemented in any and all respects only by written agreement of the parties hereto.

Section 8.02 Extension of Time, Waiver, Etc.. The Company and the Purchaser may, subject to applicable Law, (a) waive any inaccuracies in the representations and warranties of the other party contained herein or in any document delivered pursuant hereto, (b) extend the time for the performance of any of the obligations or acts of the other party or (c) waive compliance by the other party with any of the agreements contained herein applicable to such party or, except as otherwise provided herein, waive any of such party's conditions. Notwithstanding the foregoing, no failure or delay by the Company or the Purchaser in exercising any right 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 hereunder. Any agreement on the part of a party hereto to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such party.

Section 8.03 Assignment. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned, in whole or in part, by operation of Law or otherwise, by any of the parties hereto without the prior written consent of the other party hereto; provided, however, that (a) the Purchaser or any Permitted Transferee may assign its rights, interests and obligations under this Agreement, in whole or in part, to one or more Permitted Transferees, as contemplated in Section 5.08 and (b) in the event of such assignment, the assignee shall agree in writing to be bound by the provisions of this Agreement applicable to the Purchaser, including the rights, interests and obligations so assigned; provided that no such assignment will relieve any Purchaser of its obligations hereunder; provided, further, that no party hereto shall assign any of its obligations hereunder with the primary intent of avoiding, circumventing or eliminating such party's obligations hereunder. Subject to the immediately preceding sentence, this Agreement shall be binding upon, inure to the benefit of, and be enforceable by, the parties hereto and their respective successors and permitted assigns.

Section 8.04 Counterparts. This Agreement may be executed in one or more counterparts (including by facsimile or electronic mail), each of which shall be deemed to be an original but all of which taken together shall constitute one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the parties hereto and delivered to the other parties hereto.

Section 8.05 Entire Agreement; No Third-Party Beneficiaries; No Recourse. (a) This Agreement, including the Company Disclosure Letter, together with the Confidentiality Agreement, the Registration Rights Agreement and the Certificate of Designations, constitutes the entire agreement, and supersedes all other prior agreements and understandings, both written and oral, among the parties and their Affiliates, or any of them, with respect to the subject matter hereof and thereof.

(b) No provision of this Agreement shall confer upon any Person other than the parties hereto and their permitted assigns any rights or remedies hereunder. This Agreement may

only be enforced against, and any claims or causes of action that may be based upon, arise out of or relate to this Agreement, or the negotiation, execution or performance of this Agreement may only be made against the entities that are expressly identified as parties hereto, including entities that become parties hereto after the date hereof or that agree in writing for the benefit of the Company to be bound by the terms of this Agreement applicable to the Purchaser, and no former, current or future equityholders, controlling persons, directors, officers, employees, agents or Affiliates of any party hereto or any former, current or future equityholder, controlling person, director, officer, employee, general or limited partner, member, manager, advisor, agent or Affiliate of any of the foregoing (each, a " Non-Recourse Party") shall have any liability for any obligations or liabilities of the parties to this Agreement or for any claim (whether in tort, contract or otherwise) based on, in respect of, or by reason of, the transactions contemplated hereby or in respect of any representations made or alleged to be made in connection herewith. Without limiting the rights of any party against the other parties hereto, in no event shall any party or any of its Affiliates seek to enforce this Agreement against, make any claims for breach of this Agreement against, or seek to recover monetary damages from, any Non-Recourse Party.

Section 8.06 Governing Law; Jurisdiction. (a) This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York pursuant to Section 5-1401 of the New York General Obligations Law.

(b) All Actions arising out of or relating to this Agreement shall be subject to the exclusive jurisdiction of any state or federal court sitting in the State of New York in the borough of Manhattan and any appellate court thereof and the parties hereto hereby irrevocably submit to the exclusive jurisdiction and venue of such courts in any such Action and irrevocably waive the defense of an inconvenient forum or lack of jurisdiction to the maintenance of any such Action. The consents to jurisdiction and venue set forth in this Section 8.06 shall not constitute general consents to service of process in the State of New York and shall have no effect for any purpose except as provided in this paragraph and shall not be deemed to confer rights on any Person other than the parties hereto. Each party hereto agrees that service of process upon such party in any Action arising out of or relating to this Agreement shall be effective if notice is given by overnight courier at the address set forth in Section 8.10 of this Agreement. The parties hereto agree that a final judgment in any such Action shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable Law; provided that nothing in the foregoing shall restrict any party's rights to seek any post-judgment relief regarding, or any appeal from, a final trial court judgment.

Section 8.07 Specific Enforcement. The parties hereto agree that irreparable damage for which monetary relief, even if available, would not be an adequate remedy, would occur in the event that Sections 5.05 or Section 5.07 are not performed in accordance with their specific terms or are otherwise breached. The Purchaser acknowledges and agrees that (a) the Company shall be entitled to seek an injunction or injunctions, specific performance or other equitable relief to prevent breaches of Sections 5.05 and Section 5.07 and to enforce specifically the terms and provisions thereof in the courts described in Section 8.06 without proof of damages or otherwise, this being in addition to any other remedy to which they are entitled under this Agreement and (b) this right of specific enforcement is an integral part of the Transactions and without that right, the Company would not

have entered into this Agreement. The Purchaser agrees not to assert that a remedy of specific enforcement is unenforceable, invalid, contrary to Law or inequitable for any reason, and agree not to assert that a remedy of monetary damages would provide an adequate remedy or that the parties otherwise have an adequate remedy at law. The Purchaser acknowledges and agrees that the Company shall not be required to provide any bond or other security in connection with its pursuit of an injunction or injunctions to prevent breaches of Sections 5.06 or Section 5.07 and to enforce specifically the terms and provisions thereof.

Section 8.08 [Reserved].

Section 8.09 WAIVER OF JURY TRIAL . EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, 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 AND ANY OF THE AGREEMENTS DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (B) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVER, (C) IT MAKES SUCH WAIVER VOLUNTARILY AND (D) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVER AND CERTIFICATIONS IN THIS SECTION 8.09.

Section 8.10 Notices. All notices, requests and other communications to any party hereunder shall be in writing and shall be deemed given if delivered personally, by facsimile (which is confirmed), emailed (which is confirmed) or sent by overnight courier (providing proof of delivery) to the parties at the following addresses:

(a) If to the Company, to it at:

Pandora Media, Inc.
2101 Webster Street
Suite 1650
Oakland, CA 94612
Attention: General Counsel
Email: sbene@pandora.com

with a copy (which shall not constitute notice) to:

Sidley Austin LLP
1001 Page Mill Road

Building 1
Palo Alto, CA 94304
Attention: Martin Wellington, Esq.
Facsimile: 650-565-7100
Email: mwellington@sidley.com

Sidley Austin LLP
1999 Avenue of the Stars
17th Floor
Los Angeles, CA 90067
Attention: Stephen Blevit, Esq.
Facsimile: 310-595-9501
Email: sblevit@sidley.com

(b) If to the Purchaser at:

Sirius XM Radio Inc.
1290 Avenue of the Americas
11th Floor
New york, New York 10104
Attn: General Counsel
Email: patrick.donnelly@siriusxm.com

with a copy (which shall not constitute notice) to:
Simpson Thacher & Bartlett LLP
425 Lexington Avenue
New York, New York 10017
Attention: Eric M. Swedenburg
Facsimile: (212) 455-2502
Email: eswedenburg@stblaw.com

or such other address, email address or facsimile number as such party may hereafter specify by like notice to the other parties hereto. All such notices, requests and other communications shall be deemed received on the date of actual receipt by the recipient thereof if received prior to 5:00 p.m. local time in the place of receipt and such day is a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed not to have been received until the next succeeding Business Day in the place of receipt.

Section 8.11 Severability. If any term, condition or other provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or incapable of being enforced by any rule of Law or public policy, all other terms, provisions and conditions of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term, condition or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible to the fullest extent permitted by applicable Law.

Section 8.12 Expenses. Except as otherwise expressly provided herein, all costs and expenses, including fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the Transactions shall be paid by the party incurring such costs and expenses, whether or not the Additional Closing shall have occurred.

Section 8.13 Interpretation. (a) When a reference is made in this Agreement to an Article, a Section, Exhibit or Schedule, such reference shall be to an Article of, a Section of, or an Exhibit or Schedule to, this Agreement unless otherwise indicated. 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. Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation". The words "hereof", "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement unless the context requires otherwise. The words "date hereof" when used in this Agreement shall refer to the date of this Agreement. The terms "or", "any" and "either" are not exclusive. The word "extent" in the phrase "to the extent" shall mean the degree to which a subject or other thing extends, and such phrase shall not mean simply "if". The word "will" shall be construed to have the same meaning and effect as the word "shall". The words "made available to the Purchaser" and words of similar import refer to documents (A) posted to a diligence website by or on behalf of the Company and made available to the Purchaser or its Representatives or (B) delivered in Person or electronically to the Purchaser or is Representatives in each case no later than one Business Day prior to the date hereof. All accounting terms used and not defined herein shall have the respective meanings given to them under GAAP. All terms defined in this Agreement shall have the defined meanings when used in any document made or delivered pursuant hereto unless otherwise defined therein. The definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms and to the masculine as well as to the feminine and neuter genders of such term. Any agreement, instrument or statute defined or referred to herein or in any agreement or instrument that is referred to herein means such agreement, instrument or statute as from time to time amended, modified or supplemented, including (in the case of agreements or instruments) by waiver or consent and (in the case of statutes) by succession of comparable successor statutes and references to all attachments thereto and instruments incorporated therein. Unless otherwise specifically indicated, all references to "dollars" or "$" shall refer to the lawful money of the United States. References to a Person are also to its permitted assigns and successors. When calculating the period of time between which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded (unless, otherwise required by Law, if the last day of such period is not a Business Day, the period in question shall end on the next succeeding Business Day).

(b) The parties hereto have participated jointly in the negotiation and drafting of this Agreement and, in the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as jointly drafted by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party hereto by virtue of the authorship of any provision of this Agreement.

[*Remainder of page intentionally left blank*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the date first above written.

PANDORA MEDIA, INC.

By: /s/ Stephen Bené

Name: Stephen Bené

Title: General Counsel and Corporate Secretary

SIRIUS XM RADIO INC.

By: /s/ James E. Meyer

Name: James E. Meyer

Title: Chief Executive Officer

Schedule A

John C. Malone

Liberty Interactive Corporation

Liberty Broadband Corporation

Live Nation Entertainment, Inc.

Liberty Expedia Holdings, Inc.

Liberty Global plc

Discovery Communications, Inc.

Lions Gate Entertainment Corp.

Ascent Capital Group, Inc.

Charter Communications, Inc.

CommerceHub, Inc.

Upon and following the Contribution Effective Time (as defined in the Agreement and Plan of Reorganization, dated as of April 4, 2017, by and among Liberty Interactive Corporation, Liberty Interactive LLC and General Communication, Inc.), GCI Liberty, Inc.

ANNEX I

CERTIFICATE OF DESIGNATIONS

ANNEX II

REGISTRATION RIGHTS AGREEMENT

ANNEX III

ANNOUNCEMENT

Execution Version

REGISTRATION RIGHTS AGREEMENT

by and among

PANDORA MEDIA, INC.

and

EACH OF THE INVESTORS LISTED ON THE SIGNATURE PAGES HERETO

Dated as of June 9, 2017

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REGISTRATION RIGHTS AGREEMENT

This REGISTRATION RIGHTS AGREEMENT (this "Agreement") is entered into as of June 9, 2017, by and among Pandora Media, Inc., a Delaware corporation (the "Company"), and each of the investors listed on the signature pages hereto (collectively, together with their respective successors and assigns, the "Purchasers" and each, a "Purchaser"). Capitalized terms used but not defined elsewhere herein are defined in Exhibit A. The Purchasers and any other party that may become a party hereto pursuant to Section 4.1 are referred to collectively as the "Investors" and individually each as an "Investor".

WHEREAS, the Company and the Purchasers are parties to the Investment Agreement, dated as of June 9, 2017 (as amended from time to time, the "Investment Agreement"), pursuant to which the Company is selling to the Purchasers, and the Purchasers are purchasing from the Company, an aggregate of 480,000 shares of the Series A Preferred Stock, which is convertible into shares of Common Stock;

WHEREAS, as a condition to the obligations of the Company and the Purchasers under the Investment Agreement, the Company and the Purchasers are entering into this Agreement for the purpose of granting certain registration and other rights to the Investors.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement, the receipt and sufficiency of which are hereby acknowledged, the parties to this Agreement hereby agree as follows:

ARTICLE I
Resale Shelf Registration

Section 1.1 Resale Shelf Registration Statement. Subject to the other applicable provisions of this Agreement, the Company shall use its commercially reasonable efforts to prepare and file within 120 days after the date hereof a registration statement covering the sale or distribution from time to time by the Holders, on a delayed or continuous basis pursuant to Rule 415 of the Securities Act, of all of the Registrable Securities on Form S-3 (except if the Company is not then eligible to register for resale the Registrable Securities on Form S-3, then such registration shall be on another appropriate form and shall provide for the registration of such Registrable Securities for resale by the Holders in accordance with any reasonable method of distribution elected by the Purchasers) (the "Resale Shelf Registration Statement") and shall use its commercially reasonable efforts to cause such Resale Shelf Registration Statement to be declared effective by the SEC as promptly as is reasonably practicable after the filing thereof (it being agreed that the Resale Shelf Registration Statement shall be an automatic shelf registration statement that may become effective upon filing with the SEC pursuant to Rule 462(e) if Rule 462(e) is available to the Company).

Section 1.2 Effectiveness Period. Once declared effective, the Company shall, subject to the other applicable provisions of this Agreement, use its commercially reasonable efforts to cause the Resale Shelf Registration Statement to be continuously effective and usable until such time as there are no longer any Registrable Securities (the "Effectiveness Period").

Section 1.3 Subsequent Shelf Registration Statement. If any Shelf Registration Statement ceases to be effective under the Securities Act for any reason at any time during the Effectiveness Period, the Company shall use its commercially reasonable efforts to as promptly as is reasonably practicable cause such Shelf Registration Statement to again become effective under the Securities Act (including obtaining the prompt withdrawal of any order suspending the effectiveness of such Shelf Registration Statement), and shall use its commercially reasonable efforts to as promptly as is reasonably practicable amend such Shelf Registration Statement in a manner reasonably expected to result in the withdrawal of any order suspending the effectiveness of such Shelf Registration Statement or file an additional registration statement (a "Subsequent Shelf Registration Statement") for an offering to be made on a delayed or continuous basis pursuant to Rule 415 of the Securities Act registering the resale from time to time by the Holders thereof of all securities that are Registrable Securities as of the time of such filing. If a Subsequent Shelf Registration Statement is filed, the Company shall use its commercially reasonable efforts to (a) cause such Subsequent Shelf Registration Statement to become effective under the Securities Act as promptly as is reasonably practicable after the filing thereof (it being agreed that the Subsequent Shelf Registration Statement may be an automatic shelf registration statement that shall become effective upon filing with the SEC pursuant to Rule 462(e) if Rule 462(e) is available to the Company) and (b) keep such Subsequent Shelf Registration Statement continuously effective and usable until the end of the Effectiveness Period. Any such Subsequent Shelf Registration Statement shall be a registration statement on Form S-3 to the extent that the Company is eligible to use such form. Otherwise, such Subsequent Shelf Registration Statement shall be on another appropriate form and shall provide for the registration of such Registrable Securities for resale by the Holders in accordance with any reasonable method of distribution elected by the Purchasers.

Section 1.4 Supplements and Amendments. The Company shall supplement and amend any Shelf Registration Statement if required by the Securities Act or the rules, regulations or instructions applicable to the registration form used by the Company for such Shelf Registration Statement.

Section 1.5 Subsequent Holder Notice. If a Person entitled to the benefits of this Agreement becomes a Holder of Registrable Securities after a Shelf Registration Statement becomes effective under the Securities Act, the Company shall, as promptly as is reasonably practicable following delivery of written notice to the Company of such Person becoming a Holder and requesting for its name to be included as a selling securityholder in the prospectus related to the Shelf Registration Statement (a "Subsequent Holder Notice"):

(a) if required and permitted by applicable law, file with the SEC a supplement to the related prospectus or a post-effective amendment to the Shelf Registration Statement so that such Holder is named as a selling securityholder in the Shelf Registration Statement and the related prospectus in such a manner as to permit such Holder to deliver a prospectus to purchasers of the Registrable Securities in accordance with applicable law; provided, however, that the Company shall not be required to file more than one post-effective amendment or a supplement to the related prospectus for such purpose in any 30-day period;

(b) if, pursuant to Section 1.5(a), the Company shall have filed a post-effective amendment to the Shelf Registration Statement that is not automatically effective, use its commercially reasonable efforts to cause such post-effective amendment to become effective under the Securities Act as promptly as is reasonably practicable; and

(c) notify such Holder as promptly as is reasonably practicable after the effectiveness under the Securities Act of any post-effective amendment filed pursuant to Section 1.5(a).

Section 1.6 Underwritten Offering.

(a) Subject to any applicable restrictions on transfer in the Investment Agreement or otherwise, the Purchasers may, after the Resale Shelf Registration Statement becomes effective, deliver a written notice to the Company (the "Underwritten Offering Notice") specifying that the sale of some or all of the Registrable Securities subject to the Shelf Registration Statement, is intended to be conducted through an underwritten offering (the "Underwritten Offering"); provided, however, that the Holders of Registrable Securities may not, without the Company's prior written consent, (i) launch an Underwritten Offering the anticipated gross proceeds of which shall be less than $50,000,000 (unless the Holders are proposing to sell all of their remaining Registrable Securities), (ii) launch an Underwritten Offering if the Holders have effected three (3) Underwritten Offerings pursuant to this Section 1.6 or (iii) launch an Underwritten Offering within the period commencing fourteen (14) days prior to and ending two (2) days following the Company's scheduled earnings release date for any fiscal quarter or year.

(b) In the event of an Underwritten Offering, the Purchaser or Purchasers providing the Underwritten Offering Notice shall select the managing underwriter(s) to administer the Underwritten Offering; provided that the choice of such managing underwriter(s) shall be subject to the consent of the Company, which is not to be unreasonably withheld. The Company, the Purchasers and the Holders of Registrable Securities participating in an Underwritten Offering will enter into an underwriting agreement in customary form with the managing underwriter or underwriters selected for such offering.

(c) The Company will not include in any Underwritten Offering pursuant to this Section 1.6 any securities that are not Registrable Securities without the prior written consent of the Purchasers. If the managing underwriter or underwriters advise the Company and the Purchasers in writing that in its or their good faith opinion the number of Registrable Securities (and, if permitted hereunder, other securities requested to be included in such offering) exceeds the number of securities which can be sold in such offering in light of market conditions or is such so as to adversely affect the success of such offering, the Company will include in such offering only such number of securities that can be sold without adversely affecting the marketability of the offering, which securities will be so included in the following order of priority: (i) first, the Registrable Securities of the Holders that have requested to participate in such Underwritten Offering, allocated *pro rata* among such Holders on the basis of the percentage of the Registrable Securities requested to be included in such offering by such Holders, and (ii) second, any other securities of the Company that have been requested to be so included.

Section 1.7 Take-Down Notice. Subject to the other applicable provisions of this Agreement, at any time that any Shelf Registration Statement is effective, if a Purchaser delivers a notice to the Company (a "Take-Down Notice") stating that it intends to effect a sale or distribution of all or part of its Registrable Securities included by it on any Shelf Registration Statement (a "Shelf Offering") and stating the number of the Registrable Securities to be included in such Shelf Offering, then the Company shall, subject to the other applicable provisions of this Agreement, amend or supplement the Shelf Registration Statement as may be necessary in order to enable such Registrable Securities to be sold and distributed pursuant to the Shelf Offering.

Section 1.8 Piggyback Registration.

(a) If the Company proposes to file a registration statement under the Securities Act with respect to an offering of Common Stock or securities convertible into, or exchangeable or exercisable for, Common Stock, whether or not for sale for its own account (other than a registration statement (i) on Form S-4, Form S-8 or any successor forms thereto or (ii) filed to effectuate an exchange offer or any employee benefit or dividend reinvestment plan), then the Company shall give prompt written notice of such filing, which notice shall be given, to the extent reasonably practicable, no later than five (5) Business Days prior to the filing date (the "Piggyback Notice") to the Purchasers on behalf of the Holders of Registrable Securities. The Piggyback Notice shall offer such Holders the opportunity to include (or cause to be included) in such registration statement the number of shares of Registrable Securities as each such Holder may request (each, a "Piggyback Registration Statement"). Subject to Section 1.8(b), the Company shall include in each Piggyback Registration Statement all Registrable Securities with respect to which the Company has received written requests for inclusion therein (each, a "Piggyback Request") within five (5) Business Days after the date of the Piggyback Notice but in any event not later than one (1) Business Day prior to the filing date of a Piggyback Registration Statement. The Company shall not be required to maintain the effectiveness of a Piggyback Registration Statement beyond the earlier of (x) 180 days after the effective date thereof and (y) consummation of the distribution by the Holders of the Registrable Securities included in such registration statement.

(b) If any of the securities to be registered pursuant to the registration giving rise to the rights under this Section 1.8 are to be sold in an underwritten offering, the Company shall use commercially reasonable efforts to cause the managing underwriter or underwriters of a proposed underwritten offering to permit Holders of Registrable Securities who have timely submitted a Piggyback Request in connection with such offering to include in such offering all Registrable Securities included in each Holder's Piggyback Request on the same terms and subject to the same conditions as any other shares of capital stock, if any, of the Company included in the offering. Notwithstanding the foregoing, if the managing underwriter or underwriters of such underwritten offering advise the Company in writing that in its or their good faith opinion the number of securities exceeds the number of securities which can be sold in such offering in light of market conditions or is such so as to adversely affect the success of such offering, the Company will include in such offering only such number of securities that can be sold without adversely affecting the marketability of the offering, which securities will be so included in the following order of priority: (i) first, the securities proposed to be sold by the Company for its own account and (ii) second, the securities of selling shareholders that have requested to participate in such offering, allocated pro rata among

the selling shareholders according to the total amount of securities entitled to be included therein owned by each selling shareholder and its Affiliates (other than the Company)) or in such other proportions as shall mutually be agreed to by such selling shareholders) but in no event shall the amount of securities of the selling Holders included in the offering be reduced below twenty-five percent (25%) of the total amount of securities included in such offering by selling shareholders.

ARTICLE II
Additional Provisions Regarding Registration Rights

Section 2.1 Registration Procedures. Subject to the other applicable provisions of this Agreement, in the case of each registration of Registrable Securities effected by the Company pursuant to Article I, the Company will:

(a) prepare and promptly file with the SEC a registration statement with respect to such securities and use commercially reasonable efforts to cause such registration statement to become and remain effective for the period of the distribution contemplated thereby, in accordance with the applicable provisions of this Agreement;

(b) prepare and file with the SEC such amendments (including post-effective amendments) and supplements to such registration statement and the prospectus used in connection with such registration statement as may be necessary to keep such registration statement effective for the period specified in paragraph (a) above and comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement in accordance with the Purchasers' intended method of distribution set forth in such registration statement for such period;

(c) furnish to the Purchasers, the Purchasers' legal counsel, the underwriters and the underwriters' legal counsel, if any, copies of the registration statement and the prospectus included therein (including each preliminary prospectus) and any amendment or supplement thereto proposed to be filed and provide such legal counsel a reasonable opportunity to review and comment on such registration statement;

(d) if requested by the managing underwriter or underwriters, if any, or the Purchasers, promptly include in any prospectus supplement or post-effective amendment such information as the managing underwriter or underwriters, if any, or the Purchasers may reasonably request in order to permit the intended method of distribution of such securities and make all required filings of such prospectus supplement or post-effective amendment as soon as reasonably practicable after the Company has received such request; provided, however, that the Company shall not be required to take any actions under this Section 2.1(d) that are not, in the opinion of counsel for the Company, in compliance with applicable law;

(e) in the event that the Registrable Securities are being offered in an Underwritten Offering, furnish to the Purchasers and to the underwriters of the securities being registered such reasonable number of copies of the registration statement, preliminary prospectus

and final prospectus as the Purchasers or such underwriters may reasonably request in order to facilitate the public offering or other disposition of such securities;

(f) as promptly as reasonably practicable notify the Purchasers at any time when a prospectus relating thereto is required to be delivered under the Securities Act or of the Company's discovery of the occurrence of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading or incomplete in the light of the circumstances then existing, and, subject to Section 2.2, as promptly as is reasonably practicable, prepare and file with the SEC a supplement or post-effective amendment to such registration statement or the related prospectus or any document incorporated therein by reference or file any other required document, and furnish to the Purchasers a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the purchasers of such securities, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading or incomplete in the light of the circumstances then existing;

(g) use commercially reasonable efforts to register and qualify (or exempt from such registration or qualification) the securities covered by such registration statement under such other securities or "blue sky" laws of such jurisdictions within the United States as shall be reasonably requested in writing by the Purchasers; provided, however, that the Company shall not be required in connection therewith or as a condition thereto to (i) qualify to do business in any jurisdictions where it would not otherwise be required to qualify but for this subsection or (ii) take any action that would subject it to general service of process in any such jurisdictions;

(h) in the event that the Registrable Securities are being offered in a public offering, enter into an underwriting agreement, a placement agreement or equivalent agreement, in each case in accordance with the applicable provisions of this Agreement and take all such other actions reasonably requested by the Purchasers of the Registrable Securities being sold in connection therewith (including those reasonably requested by the managing underwriters, if any) to expedite or facilitate the disposition of such Registrable Securities;

(i) in connection with an Underwritten Offering, the Company shall cause its officers to use their commercially reasonable efforts to support the marketing of the Registrable Securities covered by such offering;

(j) use commercially reasonable efforts to furnish, on the date that such Registrable Securities are delivered to the underwriters for sale, if such securities are being sold through underwriters, (i) an opinion dated such date of the legal counsel representing the Company for the purposes of such registration, in form and substance as is customarily given to underwriters in an underwritten public offering, addressed to the underwriters, if any, (ii) a "negative assurances letter", dated such date of the legal counsel representing the Company for the purposes of such registration, in form and substance as is customarily given to underwriters in an underwritten public offering and (iii) a "comfort" letter dated such date from the independent certified public accountants

of the Company, in form and substance as is customarily given by independent certified public accountants to underwriters in an underwritten public offering, addressed to the underwriters;

(k) in the event that the Registrable Securities covered by such registration statement are shares of Common Stock, use commercially reasonable efforts to list the Registrable Securities covered by such registration statement with any securities exchange on which the Common Stock is then listed;

(l) provide a transfer agent and registrar for all such Registrable Securities not later than the effective date of such registration statement;

(m) in connection with a customary due diligence review, make available for inspection by the Purchasers, any underwriter participating in any such disposition of Registrable Securities, if any, and any counsel or accountants retained by the Purchasers or underwriter (collectively, the "Offering Persons"), at the offices where normally kept, during reasonable business hours, all financial and other records, pertinent corporate documents and properties of the Company and its subsidiaries, and cause the officers, directors and employees of the Company and its subsidiaries to supply all information and participate in customary due diligence sessions in each case reasonably requested by any such representative, underwriter, counsel or accountant in connection with such Registration Statement; provided, however, that any information that is not generally publicly available at the time of delivery of such information shall be kept confidential by such Offering Persons unless (i) disclosure of such information is required by court or administrative order or in connection with an audit or examination by, or a blanket document request from, a regulatory or self-regulatory authority, bank examiner or auditor, (ii) disclosure of such information, in the reasonable judgment of the Offering Persons, is required by law or applicable legal process (including in connection with the offer and sale of securities pursuant to the rules and regulations of the SEC), (iii) such information is or becomes generally available to the public other than as a result of a non-permitted disclosure or failure to safeguard by such Offering Persons in violation of this Agreement or (iv) such information (A) was known to such Offering Persons (prior to its disclosure by the Company) from a source other than the Company when such source, to the knowledge of the Offering Persons, was not bound by any contractual, legal or fiduciary obligation of confidentiality to the Company with respect to such information, (B) becomes available to the Offering Persons from a source other than the Company when such source, to the knowledge of the Offering Persons, is not bound by any contractual, legal or fiduciary obligation of confidentiality to the Company with respect to such information or (C) was developed independently by the Offering Persons or their respective representatives without the use of, or reliance on, information provided by the Company. In the case of a proposed disclosure pursuant to (i) or (ii) above, such Person shall be required to give the Company written notice of the proposed disclosure prior to such disclosure (except in the case of (ii) above when a proposed disclosure was or is to be made in connection with a registration statement or prospectus under this Agreement and except in the case of clause (i) above when a proposed disclosure is in connection with a routine audit or examination by, or a blanket document request from, a regulatory or self-regulatory authority, bank examiner or auditor);

(n) cooperate with the Purchasers and each underwriter or agent participating in the disposition of Registrable Securities and their respective counsel in connection with any filings required to be made with FINRA, including the use of commercially reasonable efforts to obtain FINRA's pre-clearance or pre-approval of the registration statement and applicable prospectus upon filing with the SEC; and

(o) as promptly as is reasonably practicable notify the Purchasers (i) when the prospectus or any prospectus supplement or post-effective amendment has been filed and, with respect to such registration statement or any post-effective amendment, when the same has become effective, (ii) of any request by the SEC or other federal or state governmental authority for amendments or supplements to such registration statement or related prospectus or to amend or to supplement such prospectus or for additional information, (iii) of the issuance by the SEC of any stop order suspending the effectiveness of such registration statement or the initiation of any proceedings for such purpose, (iv) if at any time the Company has reason to believe that the representations and warranties of the Company contained in any agreement contemplated by Section 2.1(f) above relating to any applicable offering cease to be true and correct or (v) of the receipt by the Company of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Registrable Securities for sale in any jurisdiction, or the initiation or threatening of any proceeding for such purpose.

The Purchasers agree that, upon receipt of any notice from the Company of the happening of any event of the kind described in Section 2.1(f), 2.1(o)(ii) or 2.1(o)(iii), the Purchasers shall discontinue, and shall cause each Holder to discontinue, disposition of any Registrable Securities covered by such registration statement or the related prospectus until receipt of the copies of the supplemented or amended prospectus, which supplement or amendment shall, subject to the other applicable provisions of this Agreement, be prepared and furnished as soon as reasonably practicable, or until the Purchasers are advised in writing by the Company that the use of the applicable prospectus may be resumed, and have received copies of any amended or supplemented prospectus or any additional or supplemental filings which are incorporated, or deemed to be incorporated, by reference in such prospectus (such period during which disposition is discontinued being an "Interruption Period") and, if requested by the Company, the Holders shall use commercially reasonable efforts to return to the Company all copies then in their possession, of the prospectus covering such Registrable Securities at the time of receipt of such request. As soon as practicable after the Company has determined that the use of the applicable prospectus may be resumed, the Company will notify the Purchasers thereof. In the event the Company invokes an Interruption Period hereunder and in the reasonable discretion of the Company the need for the Company to continue the Interruption Period ceases for any reason, the Company shall, as soon as reasonably practicable, provide written notice to the Purchasers that such Interruption Period is no longer applicable.

Section 2.2 Suspension. (a) The Company shall be entitled, on one (1) occasion in any one-hundred eighty (180) day period, for a period of time not to exceed seventy-five (75) days in the aggregate in any twelve (12) month period, to (x) defer any registration of Registrable Securities and shall have the right not to file and not to cause the effectiveness of any registration covering any Registrable Securities, (y) suspend the use of any prospectus and registration statement

covering any Registrable Securities and (z) require the Holders of Registrable Securities to suspend any offerings or sales of Registrable Securities pursuant to a registration statement, if the Company delivers to the Purchasers a certificate signed by an executive officer certifying that such registration and offering would (i) require the Company to make an Adverse Disclosure or (ii) materially interfere with any *bona fide* material financing, acquisition, disposition or other similar transaction involving the Company or any of its subsidiaries then under consideration. Such certificate shall contain a statement of the reasons for such suspension and an approximation of the anticipated length of such suspension. The Purchasers shall keep the information contained in such certificate confidential subject to the same terms set forth in Section 2.1(m). If the Company defers any registration of Registrable Securities in response to a Underwritten Offering Notice or requires the Purchasers or the Holders to suspend any Underwritten Offering, the Purchasers shall be entitled to withdraw such Underwritten Offering Notice and if they do so, such request shall not be treated for any purpose as the delivery of an Underwritten Offering Notice pursuant to Section 1.6.

Section 2.3 Expenses of Registration. All Registration Expenses incurred in connection with any registration pursuant to Article I shall be borne by the Company. All Selling Expenses relating to securities registered on behalf of the Holders shall be borne by the Holders of the Registrable Securities included in such registration.

Section 2.4 Information by Holders. The Holder or Holders of Registrable Securities included in any registration shall, and the Purchasers shall cause such Holder or Holders to, furnish to the Company such information regarding such Holder or Holders and their Affiliates, the Registrable Securities held by them and the distribution proposed by such Holder or Holders and their Affiliates as the Company or its representatives may reasonably request and as shall be required in connection with any registration, qualification or compliance referred to in this Agreement. It is understood and agreed that the obligations of the Company under Article I are conditioned on the timely provisions of the foregoing information by such Holder or Holders and, without limitation of the foregoing, will be conditioned on compliance by such Holder or Holders with the following:

(a) such Holder or Holders will, and will cause their respective Affiliates to, cooperate with the Company in connection with the preparation of the applicable registration statement and prospectus and, for so long as the Company is obligated to keep such registration statement effective, such Holder or Holders will and will cause their respective Affiliates to, provide to the Company, in writing and in a timely manner, for use in such registration statement (and expressly identified in writing as such), all information regarding themselves and their respective Affiliates and such other information as may be required by applicable law to enable the Company to prepare or amend such registration statement, any related prospectus and any other documents related to such offering covering the applicable Registrable Securities owned by such Holder or Holders and to maintain the currency and effectiveness thereof;

(b) during such time as such Holder or Holders and their respective Affiliates may be engaged in a distribution of the Registrable Securities, such Holder or Holders will, and they will cause their Affiliates to, comply with all laws applicable to such distribution, including Regulation M promulgated under the Exchange Act, and, to the extent required by such laws, will,

and will cause their Affiliates to, among other things (i) not engage in any stabilization activity in connection with the securities of the Company in contravention of such laws; (ii) distribute the Registrable Securities acquired by them solely in the manner described in the applicable registration statement and (iii) if required by applicable law, cause to be furnished to each agent or broker-dealer to or through whom such Registrable Securities may be offered, or to the offeree if an offer is made directly by such Holder or Holders or their respective Affiliates, such copies of the applicable prospectus (as amended and supplemented to such date) and documents incorporated by reference therein as may be required by such agent, broker-dealer or offeree;

(c) such Holder or Holders shall, and they shall cause their respective Affiliates to, (i) permit the Company and its representatives to examine such documents and records and will supply in a timely manner any information as they may be reasonably requested to provide in connection with the offering or other distribution of Registrable Securities by such Holder or Holders and (ii) execute, deliver and perform under any agreements and instruments reasonably requested by the Company or its representatives to effectuate such registered offering, including opinions of counsel and questionnaires; and

(d) on receipt of any notice from the Company of the occurrence of any of the events specified in Section 2.1(f) or clauses (ii) or (iii) of Section 2.1(o), or that otherwise requires the suspension by such Holder or Holders and their respective Affiliates of the offering, sale or distribution of any of the Registrable Securities owned by such Holder or Holders, such Holders shall, and they shall cause their respective Affiliates to, cease offering, selling or distributing the Registrable Securities owned by such Holder or Holders until the offering, sale and distribution of the Registrable Securities owned by such Holder or Holders may recommence in accordance with the terms hereof and applicable law.

Section 2.5 Rule 144 Reporting. With a view to making available the benefits of Rule 144 to the Holders, the Company agrees that, for so long as a Holder owns Registrable Securities, the Company will use its commercially reasonable efforts to:

(a) make and keep public information available, as those terms are understood and defined in Rule 144, at all times after the date of this Agreement; and

(b) so long as a Holder owns any Restricted Securities, furnish to the Holder upon written request a written statement by the Company as to its compliance with the reporting requirements of the Exchange Act.

Section 2.6 Holdback Agreement. If during the Effectiveness Period, the Company shall file a registration statement (other than in connection with the registration of securities issuable pursuant to an employee stock option, stock purchase or similar plan or pursuant to a merger, exchange offer or a transaction of the type specified in Rule 145(a) under the Securities Act) with respect to an underwritten public offering of Common Stock or securities convertible into, or exchangeable or exercisable for, such securities or otherwise informs the Purchasers that it intends to conduct such an offering utilizing an effective registration statement or pursuant to an underwritten Rule 144A and/or Regulation S offering and provides the Purchasers and each Holder the opportunity to participate in such offering in accordance with and to the extent required by

Section 1.8, the Purchasers and each Holder shall, if requested by the managing underwriter or underwriters, enter into a customary "lock-up" agreement relating to the sale, offering or distribution of Registrable Securities, in the form reasonably requested by the managing underwriter or underwriters, covering the period commencing on the date of the prospectus pursuant to which such offering may be made and continuing until 90 days from the date of such prospectus.

ARTICLE III
Indemnification

Section 3.1 Indemnification by Company. To the extent permitted by applicable law, the Company will, with respect to any Registrable Securities covered by a registration statement or prospectus, or as to which registration, qualification or compliance under applicable "blue sky" laws has been effected pursuant to this Agreement, indemnify and hold harmless each Holder, each Holder's current and former officers, directors, partners, members, managers, shareholders, accountants, attorneys, agents and employees, and each Person controlling such Holder within the meaning of Section 15 of the Securities Act and such Person's current and former officers, directors, partners, members, managers, shareholders, accountants, attorneys, agents and employees, and each underwriter thereof, if any, and each Person who controls any such underwriter within the meaning of Section 15 of the Securities Act (collectively, the "Company Indemnified Parties"), from and against any and all expenses, claims, losses, damages, costs (including costs of preparation and reasonable attorney's fees and any legal or other fees or expenses actually incurred by such party in connection with any investigation or proceeding), judgments, fines, penalties, charges, amounts paid in settlement and other liabilities, joint or several, (or actions in respect thereof) (collectively, "Losses") to the extent arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained in any registration statement, prospectus, preliminary prospectus, offering circular, "issuer free writing prospectus" (as such term is defined in Rule 433 under the Securities Act) or other document, in each case related to such registration statement, or any amendment or supplement thereto, or based on any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, or any violation by the Company of the Securities Act, the Exchange Act, any state securities law or any rules or regulations thereunder applicable to the Company and (without limiting the preceding portions of this Section 3.1), the Company will reimburse each of the Company Indemnified Parties for any reasonable and documented out-of-pocket legal expenses and any other reasonable and documented out-of-pocket expenses actually incurred in connection with investigating, defending or, subject to the last sentence of this Section 3.1, settling any such Losses or action, as such expenses are incurred; provided that the Company's indemnification obligations shall not apply to amounts paid in settlement of any Losses or action if such settlement is effected without the prior written consent of the Company (which consent shall not be unreasonably withheld or delayed), nor shall the Company be liable to a Holder in any such case for any such Losses or action to the extent that it arises out of or is based upon a violation or alleged violation of any state or federal law (including any claim arising out of or based on any untrue statement or alleged untrue statement or omission or alleged omission in the registration statement or prospectus) which occurs in reliance upon and in conformity with written information regarding such Holder furnished to the Company by such Holder or its

authorized representatives expressly for use in connection with such registration by or on behalf of any Holder.

Section 3.2 Indemnification by Holders. To the extent permitted by applicable law, each Holder will, if Registrable Securities held by such Holder are included in the securities as to which registration or qualification or compliance under applicable "blue sky" laws is being effected, indemnify, severally and not jointly with any other Holders of Registrable Securities, the Company, each of its representatives, each Person who controls the Company or such underwriter within the meaning of Section 15 of the Securities Act (collectively, the "Holder Indemnified Parties"), against all Losses (or actions in respect thereof) to the extent arising out of or based on any untrue statement (or alleged untrue statement) of a material fact contained in any registration statement, prospectus, preliminary prospectus, offering circular, "issuer free writing prospectus" or other document, in each case related to such registration statement, or any amendment or supplement thereto, or based on any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading, and will reimburse each of the Holder Indemnified Parties for any reasonable and documented out-of-pocket legal expenses and any other reasonable and documented out-of-pocket expenses actually incurred in connection with investigating, defending or, subject to the last sentence of this Section 3.2, settling any such Losses or action, as such expenses are incurred, in each case to the extent, but only to the extent, that such untrue statement (or alleged untrue statement) or omission (or alleged omission) is made in such registration statement, prospectus, offering circular, "issuer free writing prospectus" or other document in reliance upon and in conformity with written information regarding such Holder furnished to the Company by such Holder or its authorized representatives and stated to be specifically for use therein; provided, however, that in no event shall any indemnity under this Section 3.2 payable by the Purchasers and any Holder exceed an amount equal to the net proceeds received by such Holder in respect of the Registrable Securities sold pursuant to the registration statement. The indemnity agreement contained in this Section 3.2 shall not apply to amounts paid in settlement of any loss, claim, damage, liability or action if such settlement is effected without the prior written consent of the applicable Holder (which consent shall not be unreasonably withheld or delayed).

Section 3.3 Notification. If any Person shall be entitled to indemnification under this Article III (each, an "Indemnified Party"), such Indemnified Party shall give prompt notice to the party required to provide indemnification (each, an "Indemnifying Party") of any claim or of the commencement of any proceeding as to which indemnity is sought. The Indemnifying Party shall have the right, exercisable by giving written notice to the Indemnified Party as promptly as reasonably practicable after the receipt of written notice from such Indemnified Party of such claim or proceeding, to assume, at the Indemnifying Party's expense, the defense of any such claim or litigation, with counsel reasonably satisfactory to the Indemnified Party and, after notice from the Indemnifying Party to such Indemnified Party of its election to assume the defense thereof, the Indemnifying Party will not (so long as it shall continue to have the right to defend, contest, litigate and settle the matter in question in accordance with this paragraph) be liable to such Indemnified Party hereunder for any legal expenses and other expenses subsequently incurred by such Indemnified Party in connection with the defense thereof; provided, however, that an Indemnified Party shall have the right to employ separate counsel in any such claim or litigation, but the fees

and expenses of such counsel shall be at the expense of such Indemnified Party unless the Indemnifying Party shall have failed within a reasonable period of time to assume such defense and the Indemnified Party is or would reasonably be expected to be materially prejudiced by such delay. The failure of any Indemnified Party to give notice as provided herein shall relieve an Indemnifying Party of its obligations under this Article III only to the extent that the failure to give such notice is materially prejudicial or harmful to such Indemnifying Party's ability to defend such action. No Indemnifying Party, in the defense of any such claim or litigation, shall, except with the prior written consent of each Indemnified Party (which consent shall not be unreasonably withheld or delayed), consent to entry of any judgment or enter into any settlement which (A) does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified Party of a release from all liability in respect to such claim or litigation and (B) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of any Indemnified Person. The indemnity agreements contained in this Article III shall not apply to amounts paid in settlement of any claim, loss, damage, liability or action if such settlement is effected without the prior written consent of the Indemnifying Party, which consent shall not be unreasonably withheld or delayed. The indemnification set forth in this Article III shall be in addition to any other indemnification rights or agreements that an Indemnified Party may have. An Indemnifying Party who is not entitled to, or elects not to, assume the defense of a claim will not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by such Indemnifying Party with respect to such claim, unless in the reasonable judgment of any Indemnified Party a conflict of interest may exist between such Indemnified Party and any other Indemnified Parties with respect to such claim.

Section 3.4 Contribution. If the indemnification provided for in this Article III is held by a court of competent jurisdiction to be unavailable to an Indemnified Party, other than pursuant to its terms, with respect to any Losses or action referred to therein, then, subject to the limitations contained in this Article III, the Indemnifying Party, in lieu of indemnifying such Indemnified Party hereunder, shall contribute to the amount paid or payable by such Indemnified Party as a result of such Losses or action in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party, on the one hand, and the Indemnified Party, on the other, in connection with the actions, statements or omissions that resulted in such Losses or action, as well as any other relevant equitable considerations. The relative fault of the Indemnifying Party, on the one hand, and the Indemnified Party, on the other hand, shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact, has been made (or omitted) by, or relates to information supplied by such Indemnifying Party, on the one hand, or such Indemnified Party, on the other hand, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent any such action, statement or omission. The Company and the Holders agree that it would not be just and equitable if contribution pursuant to this Section 3.4 was determined solely upon *pro rata* allocation or by any other method of allocation which does not take account of the equitable considerations referred to in the immediately preceding sentence of this Section 3.4. Notwithstanding the foregoing, the amount each Purchaser or any Holder will be obligated to contribute pursuant to this Section 3.4 will be limited to an amount equal to the net proceeds received by such Purchaser or Holder in respect of the Registrable Securities sold pursuant to the registration statement which gives rise to such obligation to contribute. No

Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

ARTICLE IV
Transfer and Termination of Registration Rights

Section 4.1 Transfer of Registration Rights. Any rights to cause the Company to register securities granted to a Holder under this Agreement may be transferred or assigned to any Investor in connection with a Transfer (as defined in the Investment Agreement) of Series A Preferred Stock to such Person in a Transfer permitted by Section 5.09(b)(i) or by Section 5.09(b)(iv) of the Investment Agreement; provided, however, that (i) prior written notice of such assignment of rights is given to the Company and (ii) such Investor agrees in writing to be bound by, and subject to, this Agreement as a "Holder" pursuant to a written instrument in form and substance reasonably acceptable to the Company.

Section 4.2 Termination of Registration Rights. The rights of any particular Holder to cause the Company to register securities under Article I shall terminate with respect to such Holder upon the date upon which such Holder no longer holds any Registrable Securities.

ARTICLE V
Miscellaneous

Section 5.1 Amendments and Waivers. Subject to compliance with applicable law, this Agreement may be amended or supplemented in any and all respects by written agreement of the Company and the Purchasers.

Section 5.2 Extension of Time, Waiver, Etc. The parties hereto may, subject to applicable law, (a) extend the time for the performance of any of the obligations or acts of the other party or (b) waive compliance by the other party with any of the agreements contained herein applicable to such party or, except as otherwise provided herein, waive any of such party's conditions. Notwithstanding the foregoing, no failure or delay by the parties hereto in exercising any right 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 hereunder. Any agreement on the part of a party hereto to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such party; provided that the Purchasers may execute such waivers on behalf of any Investor.

Section 5.3 Assignment. Except as provided in Section 4.1, neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned, in whole or in part, by operation of law or otherwise, by any of the parties hereto without the prior written consent of the other party hereto; provided, however, that the Purchasers may provide any such consent on behalf of the Investors.

Section 5.4 Counterparts. This Agreement may be executed in one or more counterparts (including by facsimile or electronic mail), each of which shall be deemed to be an original but all of which taken together shall constitute one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the parties hereto and delivered to the other parties hereto.

Section 5.5 Entire Agreement; No Third Party Beneficiary. This Agreement, including the Transaction Documents (as defined in the Investment Agreement), constitutes the entire agreement, and supersedes all other prior agreements and understandings, both written and oral, among the parties and their Affiliates, or any of them, with respect to the subject matter hereof and thereof. No provision of this Agreement shall confer upon any Person other than the parties hereto and their permitted assigns any rights or remedies hereunder.

Section 5.6 Governing Law; Jurisdiction.

(a) This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York pursuant to Section 5-1401 of the New York General Obligations Law.

(b) All legal or administrative proceedings, suits, investigations, arbitrations or actions ("Actions") arising out of or relating to this Agreement shall be subject to the exclusive jurisdiction of any state or federal court sitting in the State of New York in the borough of Manhattan and any appellate court thereof and the parties hereto hereby irrevocably submit to the exclusive jurisdiction and venue of such courts in any such Action and irrevocably waive the defense of an inconvenient forum or lack of jurisdiction to the maintenance of any such Action. The consents to jurisdiction and venue set forth in this Section 5.6 shall not constitute general consents to service of process in the State of New York and shall have no effect for any purpose except as provided in this paragraph and shall not be deemed to confer rights on any Person other than the parties hereto. Each party hereto agrees that service of process upon such party in any Action arising out of or relating to this Agreement shall be effective if notice is given by overnight courier at the address set forth in Section 5.8 of this Agreement. The parties hereto agree that a final judgment in any such Action shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable law; provided, however, that nothing in the foregoing shall restrict any party's rights to seek any post-judgment relief regarding, or any appeal from, a final trial court judgment.

Section 5.7 Waiver of Jury Trial. EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, 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 AND ANY OF THE AGREEMENTS DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED,

EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (B) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVER, (C) IT MAKES SUCH WAIVER VOLUNTARILY AND (D) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVER AND CERTIFICATIONS IN THIS SECTION 5.7.

Section 5.8 Notices. All notices, requests and other communications to any party hereunder shall be in writing and shall be deemed given if delivered personally, by facsimile (which is confirmed), emailed (which is confirmed) or sent by overnight courier (providing proof of delivery) to the parties at the following addresses:

(a) If to the Company, to it at:

Pandora Media, Inc.
2101 Webster Street
Suite 1650
Oakland, CA 94612
Attention: General Counsel
Email: sbene@pandora.com

with a copy (which shall not constitute notice) to:

Sidley Austin LLP
1001 Page Mill Road
Building 1
Palo Alto, CA 94304
Attention: Martin Wellington, Esq.
Facsimile: 650-565-7100
Email: mwellington@sidley.com

Sidley Austin LLP
1999 Avenue of the Stars
17th Floor
Los Angeles, CA 90067
Attention: Stephen Blevit, Esq.
Facsimile: 310-595-9501
Email: sblevit@sidley.com

(b) If to the Purchasers at:

Sirius XM Radio Inc.
1290 Avenue of the Americas
11th Floor
New york, New York 10104

Attn: General Counsel
Email: patrick.donelly@siriusxm.com

with a copy (which shall not constitute notice) to:

Simpson Thacher & Bartlett LLP
425 Lexington Avenue
New York, New York 10017
Attention: Eric M. Swedenburg
Facsimile: (212) 455-2502
Email: eswedenburg@stblaw.com

or such other address, email address or facsimile number as such party may hereafter specify by like notice to the other parties hereto. All such notices, requests and other communications shall be deemed received on the date of actual receipt by the recipient thereof if received prior to 5:00 p.m. local time in the place of receipt and such day is a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed not to have been received until the next succeeding Business Day in the place of receipt.

Section 5.9 Severability. If any term, condition or other provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or incapable of being enforced by any rule of law or public policy, all other terms, provisions and conditions of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term, condition or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible to the fullest extent permitted by applicable law.

Section 5.10 Expenses. Except as provided in Section 2.3, all costs and expenses, including fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses.

Section 5.11 Interpretation. The rules of interpretation set forth in Section 8.12 of the Investment Agreement shall apply to this Agreement, *mutatis mutandis*.

Section 5.12 Purchasers.

(a) Each Holder hereby consents, for so long as any Purchaser holds any Registrable Securities, to (i) the appointment of the Purchasers, acting together, as the attorneys-in-fact for and on behalf of such Holder and (ii) the taking by the Purchasers, acting together, of any and all actions and the making of any decisions required or permitted by, or with respect to, this Agreement and the transactions contemplated hereby, including, without limitation, (A) the exercise of the power to agree to execute any consents under this Agreement and all other documents contemplated hereby and (B) to take all actions necessary in the judgment of the Purchasers for the accomplishment of the foregoing and all of the other terms, conditions and limitations of this Agreement and the transactions contemplated hereby.

(b) Each Holder shall be bound by the actions taken by the Purchasers exercising the rights granted to them by this Agreement or the other documents contemplated by this Agreement, and the Company shall be entitled to rely on any such action or decision of the Purchasers.

[*Signature pages follow*]

IN WITNESS WHEREOF, the parties have executed this Registration Rights Agreement as of the date first above written.

PANDORA MEDIA, INC.

By: /s/ Stephen Bené

Name: Stephen Bené

Title: General Counsel and Corporate Secretary

SIRIUS XM RADIO INC.

By: /s/ James E. Meyer

Name: James E. Meyer
Title: Chief Executive Officer

EXHIBIT A

DEFINED TERMS

1. The following capitalized terms have the meanings indicated:

"Adverse Disclosure" means public disclosure of material non-public information that, in the good faith judgment of the Company (after consultation with legal counsel): (i) would be required to be made in any registration statement filed with the SEC by the Company so that such registration statement would not be materially misleading; (ii) would not be required to be made at such time but for the filing, effectiveness or continued use of such registration statement; and (iii) the Company has a bona fide business purpose for not disclosing publicly.

"Affiliates" shall have the meaning given to such term in the Certificate of Designations.

"Business Day" means any day except a Saturday, a Sunday or other day on which the SEC or banks in the City of New York are authorized or required by law to be closed.

"Certificate of Designations" means the Certificate of Designations classifying the Series A Preferred Stock.

"Common Stock" means all shares currently or hereafter existing of the Company's common stock, par value $0.0001 per share.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and any successor statute thereto, and the rules and regulations of the SEC promulgated thereunder.

"FINRA" means the Financial Industry Regulatory Authority, Inc.

"Holder" means any Investor holding Registrable Securities.

"Person" means any individual, corporation, limited liability company, partnership, joint venture, association, trust, unincorporated organization or any other entity, including a governmental authority.

"register", "registered" and "registration" refer to a registration effected by preparing and filing a registration statement in compliance with the Securities Act, and the declaration or ordering of the effectiveness of such registration statement or the automatic effectiveness of such registration statement, as applicable.

"Registration Expenses" means all (a) expenses incurred by the Company in complying with Article I, including all registration, qualification, listing and filing fees, printing expenses, escrow fees, and fees and disbursements of counsel for the Company, blue sky fees and expenses; (b) reasonable, documented out-of-pocket fees and expenses of one outside legal counsel to the Purchasers and all Holders retained in connection with registrations contemplated hereby not to exceed $25,000 for each registration statement filed hereunder; and (c) in connection with any underwritten offering, 50% of the expenses of the Holders related to diligence, including fees and expenses of any auditor and one outside counsel to the Holders, not to exceed $100,000 in the aggregate; provided, however, that Registration Expenses shall not be deemed to include any Selling Expenses.

"Registrable Securities" means, as of any date of determination, any shares of the Series A Preferred Stock issued to the Purchasers pursuant to the Investment Agreement and any shares of Common Stock hereafter acquired by any Holder pursuant to the conversion of any shares of the Series A Preferred Stock, and any other securities issued or issuable with respect to any such shares of Common Stock or Series A Preferred Stock by way of share split, share dividend, distribution, recapitalization, merger, exchange, replacement or similar event or otherwise. As to any particular Registrable Securities, once issued, such securities shall cease to be Registrable Securities when (i) such securities are sold or otherwise transferred pursuant to an effective registration statement under the Securities Act, (ii) such securities shall have ceased to be outstanding, (iii) such securities have been transferred in a transaction in which the Holder's rights under this Agreement are not assigned to the transferee of the securities, (iv) such securities are sold in a broker's transaction under circumstances in which all of the applicable conditions of Rule 144 (or any similar provisions then in force) under the Securities Act are met, or (v) such securities become eligible for resale without holding period, volume or manner-of-sale restrictions and without current public information pursuant to Rule 144 as set forth in a written opinion letter to such effect, addressed, delivered and acceptable to the transfer agent for such securities and the affected Holders, as reasonably determined by the Company, upon the advice of counsel to the Company; provided, that in the case of this clause (v), such securities (x) are listed on the NYSE, AMEX, the Nasdaq Capital Market, the Nasdaq Global Market or the Nasdaq Global Select Market and (y) are not a "penny stock" as defined in Section 3(a)(51) of the Exchange Act.

"Restricted Securities" means any Common Stock required to bear the legend set forth in Section 5.10(a) of the Investment Agreement.

"Rule 144" means Rule 144 promulgated under the Securities Act and any successor provision.

"Rule 462(e)" means Rule 462(e) promulgated under the Securities Act and any successor provision.

"Selling Expenses" means all underwriting discounts, selling commissions and stock transfer taxes applicable to the securities registered by the Holders, and the fees and expenses of any auditor and any counsel to the Holders (other than such fees and expenses expressly included in Registration Expenses).

"SEC" means the U.S. Securities and Exchange Commission.

"Securities Act" means the Securities Act of 1933, as amended, and any successor statute thereto, and the rules and regulations of the SEC promulgated thereunder.

"Shelf Registration Statement" means the Resale Shelf Registration Statement or a Subsequent Shelf Registration Statement, as applicable.

2. The following terms are defined in the Sections of the Agreement indicated:

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EXECUTION VERSION

MEMBERSHIP INTEREST PURCHASE AGREEMENT

by and among

EVENTBRITE, INC.,
a Delaware corporation,

PANDORA MEDIA, INC.,
a Delaware corporation,

and

TICKETFLY, LLC,
a Delaware limited liability company

Dated as of June 9, 2017

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Exhibits and Schedules

MEMBERSHIP INTEREST PURCHASE AGREEMENT

THIS MEMBERSHIP INTEREST PURCHASE AGREEMENT (this "***Agreement***") is made and entered into as of June 9, 2017 (the "***Agreement Date***"), by and among Eventbrite, Inc., a Delaware corporation ("***Buyer***"), and Pandora Media, Inc., a Delaware corporation ("***Seller***") and Ticketfly, LLC, a Delaware limited liability company (the "***Company***"). Certain other capitalized terms used herein are defined in Exhibit A.

RECITALS

WHEREAS, Seller owns all of the issued and outstanding membership interests in the Company (the "***Membership Interests***"); and

WHEREAS, Seller wishes to sell to Buyer, and Buyer wishes to purchase from Seller, the Membership Interests, subject to the terms and conditions set forth herein;

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

ARTICLE I
PURCHASE AND SALE

1.1 Purchase and Sale. Subject to the terms and conditions set forth herein, at the Closing, Seller shall sell to Buyer, and Buyer shall purchase from Seller, all of Seller's right, title, and interest in and to the Membership Interests, free and clear of all Encumbrances, for the Purchase Price, as such may be adjusted pursuant to Section 1.4 hereof.

1.2 Closing. Upon the terms and subject to the conditions set forth herein, the closing of the purchase and sale of the Membership Interests contemplated hereby (the "***Closing***") shall take place at the offices of Sidley Austin LLP, 1001 Page Mill Road, Building 1, Palo Alto, CA 94304, or at such other location as Buyer and Seller agree, at (i) 10:00 a.m. local time on a date to be agreed by Buyer and Seller, which date shall be no later than the third Business Day following the date on which all of the conditions set forth in Article VII have been satisfied or waived (other than those conditions that, by their terms, are intended to be satisfied at the Closing, but subject to the satisfaction or waiver of those conditions); provided that if such Business Day would otherwise occur anytime during the final 15 days of a fiscal quarter of Seller, then Seller may, in its sole discretion, delay the Closing until the first Business Day of the next succeeding fiscal quarter of Seller, in which case the Closing shall be held on such first Business Day (so long as all of the conditions set forth in Article VII (other than those conditions that, by their terms, are intended to be satisfied at the Closing, but subject to the satisfaction or waiver of those conditions) shall continue to be satisfied or waived in accordance with this Agreement on such first Business Day), or (ii) such other time as Buyer and Seller agree. The date on which the Closing occurs is sometimes referred to herein as the "***Closing Date***."

1.3 Closing Deliveries.

(a) Buyer Deliveries. Buyer shall deliver to Seller, at or prior to the Closing:

(i) the Purchase Price, including the Note executed by Buyer, subject to any Closing Adjustment pursuant to Section 1.4, by wire transfer of immediately available funds to an account of Seller designated in writing by Seller to Buyer no later than two Business Days prior to the Closing Date;

(ii) a certificate, dated as of the Closing Date, executed on behalf of Buyer by a duly authorized officer of Buyer to the effect that each of the conditions set forth in Section 7.2(a) has been satisfied; and

(iii) an assignment of the Membership Interests to Buyer in the form of Exhibit B hereto (the "***Assignment***"), duly executed by Buyer.

(b) Seller Deliveries. Seller shall deliver to Buyer, at or prior to the Closing:

(i) the Assignment, duly executed by Seller;

(ii) a certificate, dated as of the Closing Date, executed on behalf of Seller by a duly authorized officer of Seller to the effect that each of the conditions set forth in Section 7.3(a) has been satisfied;

(iii) a certificate, dated as of the Closing Date and executed on behalf of Seller by its Secretary certifying the resolutions adopted by the Board of Directors of Seller (I) declaring this Agreement and the Transactions, upon the terms and subject to the conditions set forth herein, advisable, fair to and in the best interests of Seller and the stockholders of Seller, and (II) approving this Agreement in accordance with the DGCL;

(iv) an executed receipt acknowledging the receipt by Seller of the Purchase Price;

(v) the Company Closing Net Working Capital Certificate;

(vi) an executed certification of non-foreign status in accordance with Treasury Regulations Section 1.1445-2(b)(2) and in a form reasonably acceptable to Buyer;

(vii) the Trademark Assignment Agreement, executed by Seller; and

(viii) the Note, executed by Seller.

(c) Company Deliveries. The Company shall deliver to Buyer, at or prior to the Closing:

(i) a certificate, dated as of the Closing Date and executed on behalf of the Company by its sole Member, to the effect that each of the conditions set forth in Section 7.3(a) and Section 7.3(e) has been satisfied;

(ii) a certificate, dated as of the Closing Date and executed on behalf of the Company by its Secretary certifying (A) the operating agreement of the Company (the "***Operating Agreement***") in effect as of the Closing, (B) the resolutions adopted by the sole manager of the Company (I) declaring this Agreement and the Transactions, upon the terms and subject to the conditions set forth herein, advisable, fair to and in the best interests of the Company and the sole

member of the Company, and (II) approving this Agreement in accordance with the Delaware LLC Act and (C) other matters reasonably requested by Buyer;

(iii) evidence reasonably satisfactory to Buyer of the resignation of each director, manager and officer of the Company and any Subsidiary in office immediately prior to the Closing as director, manager and/or officers of the Company and/or any Subsidiary, effective as of, and contingent upon, the Closing;

(iv) a certificate from the Secretary of State of the States of Delaware and California and each other state or other jurisdiction in which the Company is qualified to do business as a foreign corporation, dated within three Business Days prior to the Closing Date, certifying that the Company is in good standing, and confirmation from the Secretary of State of Delaware that all applicable franchise Taxes and fees of the Company through and including the Closing Date have been paid;

(v) the Trademark Assignment Agreement, executed by the Company; and

(vi) the Assignment, executed by the Company.

Receipt by Buyer of any of the agreements, instruments, certificates or documents delivered pursuant to this Section 1.3(c) shall not be deemed to be an agreement by Buyer that the information or statements contained therein are true, correct or complete, and shall not diminish Buyer's remedies hereunder if any of the foregoing agreements, instruments, certificates or documents are not true, correct or complete.

1.4 Company Net Working Capital Adjustment.

(a) Pursuant to Section 6.8, Seller shall deliver the Company Closing Net Working Capital Certificate to Buyer not later than five Business Days prior to the Closing Date.

(b) Within 75 days after the Closing, Buyer may object to the calculation of Company Net Working Capital included in the Company Closing Net Working Capital Certificate (the "***Calculations***") by delivering to Seller a notice (the " ***Buyer Notice***") setting forth Buyer's calculation of Company Net Working Capital and the amount by which Company Net Working Capital as calculated by Buyer is less than Company Net Working Capital as set forth in the Company Closing Net Working Capital Certificate, in each case together with supporting documentation, information and calculations as is reasonably necessary for Seller to review such calculations.

(c) Seller may object to the calculation of Company Net Working Capital set forth in the Buyer Notice by providing written notice of such objection to Buyer within 30 days after receipt of the Buyer Notice (the "***Notice of Objection***"), together with supporting documentation, information and calculations, as is reasonably necessary for Buyer to review such calculations. Any matters not set forth in the Notice of Objection shall be deemed to have been accepted by Seller.

(d) If Seller timely provides the Notice of Objection, then Buyer and Seller shall confer in good faith for a period of up to 10 Business Days following Buyer's timely receipt of the Notice of Objection in an attempt to resolve any disputed matter set forth in the Notice of Objection, and any resolution by them shall be in writing and shall be final and binding on the parties hereto.

(e) If, after the 10 Business Day period set forth in Section 1.4(d), Buyer and Seller cannot resolve any matter set forth in the Notice of Objection, then Buyer and Seller shall engage KPMG

LLP or, if such firm is not able or willing to so act, another auditing firm acceptable to both Buyer and Seller (the " ***Reviewing Accountant***") to review only the matters in the Notice of Objection that are still disputed by Buyer and Seller and the Calculations to the extent relevant thereto. After such review and a review of the Company's relevant books and records, the Reviewing Accountant shall promptly (and in any event within 60 days following its engagement) determine in writing the resolution of such remaining disputed matters, which written determination shall be final and binding on the parties hereto, and the Reviewing Accountant shall provide Buyer and Seller with a calculation of Company Net Working Capital in accordance with such determination.

(f) If the Final Net Working Capital differs from the Company Net Working Capital, then the adjustment to the Purchase Price that would have been made at Closing if the Final Net Working Capital amount had been used, if any, shall be calculated and Seller or Buyer, as applicable, shall deliver to the other the difference between the adjustment that was made and the adjustment that would have been made if the Final Net Working Capital amount had been used..

(g) The fees, costs and expenses of the Reviewing Accountant shall be paid (i) by Buyer in the event the difference between the Final Net Working Capital as determined by the Reviewing Accountant pursuant to Section 1.4(e) and the Calculations set forth in the Buyer Notice (such difference, the "***Buyer's Difference***") is greater than the difference between the Final Net Working Capital as determined by the Reviewing Accountant pursuant to Section 1.4(e) and the Calculations set forth in the Notice of Objection (such difference, the "***Seller's Difference***"), (ii) by Seller if the Buyer's Difference is less than the Seller's Difference or (iii) equally by Buyer on the one hand, and Seller on the other hand, if the Buyer's Difference is the same as Seller's Difference.

(h) To the extent that the Seller has an obligation to deliver amounts to Buyer pursuant to this Section 1.4, Buyer shall first satisfy such obligation through a reduction in the principal amount of the Note. Buyer's right to indemnification pursuant to this Section 1.4 will not be subject to any of the limitations set forth in Article IX. Any payments made pursuant to this Section 1.4 shall be treated as adjustments to the Purchase Price for all Tax purposes to the maximum extent permitted under Applicable Law.

1.5 Severance.

(a) For each three-month period during the nine-month period following the Closing, Buyer shall prepare and deliver to Seller a certificate executed by an officer of Buyer certifying (i) the list of Company Employees as of the Closing Date terminated during such three-month period, (ii) the date of such Company Employee's termination and (iii) the amount of any termination payments, including, but not limited to, severance payments, statutory notice payments and payments made in lieu of notice required under the Worker Adjustment Retraining Notification Act of 1988, as amended (the "***WARN Act***") or any similar state or local law (the aggregate amount of such payments, the "***Termination Costs***") made to each such Company Employee (the "***Termination Certificate***") with supporting documentation, information and calculations as is reasonably necessary for Seller to review such termination payments. Such certificates shall be delivered within 11 months following the Closing.

(b) Within 30 days after the Termination Certificate is delivered to Seller pursuant to Section 1.5(a), Seller may object to any manifest error contained in the Termination Certificate by delivering to Buyer a notice (the "***Seller Notice***") setting forth such manifest error.

(c) If Buyer and Seller cannot resolve any matter set forth in the Seller Notice, then either Buyer or Seller may bring an arbitration in accordance with the terms of Section 10.12 to resolve the matter, which written determination shall be final and binding on the parties hereto.

(d) One-half of the total aggregated Termination Costs for all certificates delivered pursuant to Section 1.5(a) shall be borne by Seller up to an aggregate obligation of Seller equal to $2,500,000, which amount shall be offset against the principal amount of the Note. Buyer's right to indemnification pursuant to this Section 1.5 will not be subject to any of the limitations set forth in Article IX.

1.6 Taking of Necessary Action; Further Action . If, at any time after the Closing, any further action is necessary or desirable to carry out the purposes of this Agreement and to vest the Buyer with full right, title and interest in, to and under, and/or possession of, all assets, property, rights, privileges, powers and franchises of the Company, the officers and directors of Seller are fully authorized, in the name and on behalf of the Company or otherwise, to take all lawful action necessary or desirable to accomplish such purpose or acts, so long as such action is not inconsistent with this Agreement.

1.7 Withholding Rights. Buyer and its Affiliates and agents shall be entitled to deduct and withhold from any payment pursuant to this Agreement to any Person such amounts Buyer or such Affiliate or agent is required to deduct and withhold with respect to any such payment under the Code or any provision of state, local, provincial or foreign Tax law, provided, that the Buyer shall consult in good faith with the Seller prior to withholding any amounts payable hereunder and shall use commercially reasonable efforts to minimize or eliminate any such withholding. To the extent that amounts are so withheld and paid over to the applicable Tax Authority, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to such Persons in respect of which such deduction and withholding was made.

ARTICLE II
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Subject to the disclosures set forth in the disclosure letter of the Company delivered to Buyer concurrently with the execution of this Agreement (the "***Company Disclosure Letter***") (clearly indicating the appropriate Section and Subsection (including by cross-references) to which it relates (provided the relevance to other representations and warranties is reasonably apparent from reading the actual text of the disclosures without any reference to extrinsic documentation or any independent knowledge on the part of the reader regarding the matter disclosed), and each of which disclosures shall also be deemed to be representations and warranties made by the Company to Buyer under this Article II), the Company represents and warrants to Buyer as follows:

2.1 Organization, Standing, Power and Subsidiaries.

(a) The Company is a limited liability company duly organized, validly existing and in good standing under the laws of its jurisdiction of organization. The Company has the limited liability company power to own, operate, use, distribute and lease its properties and to conduct the Business and is duly licensed or qualified to do business and is in good standing in each jurisdiction where the character or location of its assets or properties (whether owned, leased or licensed) or the nature of its activities make such qualification or licensing necessary to the business of the Company as currently conducted, except where the failure to be so qualified or licensed and in good standing, individually or in the aggregate with any such other failures, would reasonably be expected to have a Material Adverse Effect with respect to the Company.

(b) Schedule 2.1(b) of the Company Disclosure Letter sets forth a true, correct and complete list of: (i) the name of the manager and (ii) the names and titles of the officers of the Company.

(c) TCSI is the only Subsidiary of the Company. TCSI is a corporation duly incorporated and validly existing under the laws of its jurisdiction of incorporation and has all necessary corporate power, authority and capacity to own its assets and to carry on its business as presently conducted. Neither the nature of its business nor the location or character of the assets owned or leased by TCSI requires it to be registered, licensed or otherwise qualified as an extra-provincial or foreign corporation in any jurisdiction other than jurisdictions where TCSI is duly registered, licensed or otherwise qualified for such purpose and other than jurisdictions where the failure to be so registered, licensed or otherwise qualified does not have a Material Adverse Effect. The Company does not own, or have any interest in any shares or have an ownership interest in any Person other than its shareholdings in TCSI.

2.2 Capitalization.

(a) Seller is the record owner of and has good and valid title to the Membership Interests, free and clear of all Encumbrances. The Membership Interests constitute 100% of the total issued and outstanding membership interests in the Company. The Membership Interests have been duly authorized and are validly issued, fully-paid and non-assessable. Upon consummation of the transactions contemplated by this Agreement, Buyer shall own all of the Membership Interests, free and clear of all Encumbrances.

(b) The Membership Interests were issued in compliance with Applicable Laws. The Membership Interests were not issued in violation of the organizational documents of the Company or any other agreement, arrangement, or commitment to which Seller or the Company is a party and are not subject to or in violation of any preemptive or similar rights of any Person.

(c) There are no outstanding or authorized options, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character relating to any membership interests in the Company or obligating Seller or the Company to issue or sell any membership interests (including the Membership Interests), or any other interest, in the Company. Other than the Organizational Documents, there are no voting trusts, proxies or other agreements or understandings in effect with respect to the voting or transfer of any of the Membership Interests.

(d) The Company is the sole registered and beneficial owner of all of the issued and outstanding shares in the capital of TCSI, free and clear of all Encumbrances. All the shares in TCSI have been duly and validly issued and are outstanding as fully paid and non-assessable shares. There are no outstanding or authorized options, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character relating to any shares in TCSI or obligating the Company or TCSI to issue or sell any shares, or any other interest, in TCSI.

2.3 Authority; Non-contravention.

(a) The Company has all requisite limited liability company power and authority to enter into this Agreement and the other Company Transaction Documents and to consummate the Transactions. The execution and delivery of this Agreement and the other Company Transaction Documents by the Company and the consummation of the Transactions have been duly authorized by all necessary limited liability company action on the part of the Company. Each Company Transaction Document has been, or prior to the Closing Date will be, duly executed and delivered by the Company and, assuming the due execution and delivery of such Company Transaction Document by the other parties hereto, constitutes the valid and binding obligation of the Company enforceable against the Company in accordance with its

terms subject only to the effect, if any, of (i) applicable bankruptcy and other similar Applicable Law affecting the rights of creditors generally and (ii) rules of law governing specific performance, injunctive relief and other equitable remedies. The sole manager of the Company, by resolutions duly adopted (and not thereafter modified or rescinded) has (i) declared that this Agreement and the Transactions, upon the terms and subject to the conditions set forth herein, advisable, fair to and in the best interests of the Company and the Company member, (ii) approved this Agreement in accordance with Applicable Law and (iii) directed that the adoption of this Agreement and approval of the Transactions be submitted to the sole member of the Company for consideration and recommended that the sole member of the Company adopt this Agreement and approve the Transactions.

(b) The execution and delivery of this Agreement and the other Company Transaction Documents, by the Company does not, and the consummation of the Transactions will not, (i) result in the creation of any Encumbrance on any of the material assets of the Company or any Subsidiary, (ii) conflict with, or result in any violation of or default under (with or without notice or lapse of time, or both), or give rise to a right of termination, cancellation or acceleration of any obligation or loss of any benefit under, or require any consent, approval or waiver from any Person pursuant to, (A) the Operating Agreement, or other equivalent organizational or governing documents of the Company or the certificate of incorporation of any Subsidiary, in each case as amended to date, (B) any Contract of the Company or any Subsidiary or any Contract applicable to any of its material assets, except, in the case of this clause (B), where such conflict, violation, default, termination, cancellation or acceleration, individually or in the aggregate, would not reasonably be expected to have a material effect with respect to the Company or any Subsidiary, or (C) any Applicable Law.

(c) No consent, approval, Order or authorization of, or registration, declaration or filing with, or notice to, any Governmental Entity or any other Person is required by or with respect to the Company or any Subsidiary in connection with the execution and delivery of this Agreement or any other Company Transaction Document or the consummation of the Transactions, except for (i) such filings and notifications as may be required to be made by the Company in connection with the Transactions under the HSR Act and other applicable Antitrust Laws and the expiration or early termination of the applicable waiting period under the HSR Act and other applicable Antitrust Laws and (ii) such other consents, approvals, Orders, authorizations, registrations, declarations, filings and notices that, if not obtained or made, would not adversely affect, and would not reasonably be expected to adversely affect, the Company's ability to perform or comply with the covenants, agreements or obligations of the Company herein or in any other Company Transaction Document or to consummate the Transactions in accordance with this Agreement or any other Company Transaction Document and Applicable Law.

2.4 Financial Statements; No Undisclosed Liabilities.

(a) The Company has delivered to Buyer its unaudited, consolidated financial statements for the fiscal year ended to December 31, 2016 and its unaudited, consolidated financial statements for the four-month period ended April 30, 2017 (including, in each case, balance sheets, statements of operations and statements of cash flows) (collectively, the "***Financial Statements***"), which are included as Schedule 2.4(a) of the Company Disclosure Letter. The Financial Statements (i) are derived from and in accordance with the books and records of the Company, (ii) complied as to form with applicable accounting requirements with respect thereto as of their respective dates, (iii) fairly and accurately present the consolidated financial condition of the Company at the dates therein indicated and the consolidated results of operations and cash flows of the Company for the periods therein specified (subject, in the case of unaudited interim period financial statements, to normal recurring year-end audit adjustments, none of which individually or in the aggregate are or will be material in amount), and (iv) were prepared in accordance

with GAAP, except for the absence of footnotes in the unaudited Financial Statements, applied on a consistent basis throughout the periods involved if such consistent basis is in accordance with GAAP.

(b) Neither the Company nor any Subsidiary has any Liabilities required to be reflected in financial statements prepared in accordance with GAAP other than (i) those set forth or adequately provided for in a consolidated balance sheet of the Company and its Subsidiaries included in the Financial Statements as of April 30, 2017 (such date, the "***Company Balance Sheet Date***" and such balance sheet, the "***Company Balance Sheet***"), (ii) those incurred in the conduct of the Company's and any Subsidiary's business since the Company Balance Sheet Date in the ordinary course consistent with past practice, if such past practice is in accordance with GAAP, and do not result from any breach of Contract, warranty, infringement, tort or violation of Applicable Law, (iii) those that are not in excess of $100,000 individually or $500,000 in the aggregate and (iv) those incurred by the Company in connection with the execution of this Agreement. Except for Liabilities reflected in the Financial Statements, neither the Company nor any Subsidiary has any off-balance sheet Liability of any nature to, or any financial interest in, any third parties or entities, the purpose or effect of which is to defer, postpone, reduce or otherwise avoid or adjust the recording of expenses incurred by the Company or any Subsidiary. All reserves that are set forth in or reflected in the Company Balance Sheet have been established in accordance with GAAP consistently applied and are adequate. Without limiting the generality of the foregoing, neither the Company nor any Subsidiary has ever guaranteed any debt or other obligation of any other Person.

(c) Schedule 2.4(c) of the Company Disclosure Letter sets forth a true, correct and complete list of all Company Debt, including, for each item of Company Debt, the agreement governing the Company Debt and the interest rate, maturity date, any assets securing such Company Debt and any prepayment or other penalties payable in connection with the repayment of such Company Debt at the Closing.

(d) Schedule 2.4(d) of the Company Disclosure Letter sets forth the names and locations of all banks and other financial institutions at which the Company or any Subsidiary maintains accounts and the names of all Persons authorized to make withdrawals therefrom.

(e) The accounts receivable of the Company and any Subsidiary (the "***Accounts Receivable***") as reflected on the Company Balance Sheet and as will be reflected in the Company Closing Net Working Capital Certificate arose in the ordinary course of business consistent with past practice and represent *bona fide* claims against debtors for sales and other charges. Allowances for doubtful accounts and warranty returns have been prepared in accordance with GAAP consistently applied and in accordance with the Company's past practice if such past practices are in accordance with GAAP and are sufficient to provide for any losses that may be sustained on realization of the applicable Accounts Receivable. The Accounts Receivable arising after the Company Balance Sheet Date and before the Closing Date (i) arose or shall arise in the ordinary course of business consistent with past practice and (ii) represented or shall represent *bona fide* claims against debtors for sales and other charges. As of the date hereof, none of the Accounts Receivable is subject to any claim of offset, recoupment, set-off or counter-claim and, to the knowledge of the Company, there are no facts or circumstances (whether asserted or unasserted) that could give rise to any such claim.

(f) The Company has established and maintains a system of internal accounting controls sufficient to provide reasonable assurances (i) that transactions, receipts and expenditures of the Company and any Subsidiary are being executed and made only in accordance with appropriate authorizations of management and the Board, (ii) that transactions are recorded as necessary (A) to permit preparation of financial statements in conformity with GAAP and (B) to maintain accountability for assets, (iii) regarding

prevention or timely detection of unauthorized acquisition, use or disposition of the assets of Company and any Subsidiary and (iv) that the amount recorded for assets on the books and records of the Company is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. None of the Company, any Subsidiary, the Company's independent auditors and, to the knowledge of the Company, any current or former employee, consultant or director of the Company, has identified or been made aware of any fraud, whether or not material, that involves the Company's or any Subsidiary's management or other current or former employees, consultants or directors of the Company who have a role in the preparation of financial statements or the internal accounting controls utilized by the Company or any Subsidiary, or any claim or allegation regarding any of the foregoing. None of the Company, any Subsidiary and, to the knowledge of the Company, any Representative of the Company or any Subsidiary has received or otherwise had or obtained knowledge of any material complaint, allegation, assertion or claim, whether written or oral, in each case, regarding deficient accounting or auditing practices, procedures, methodologies or methods of the Company or its internal accounting controls or any material inaccuracy in the Company's financial statements. No attorney representing the Company or any Subsidiary, whether or not employed by the Company or any Subsidiary, has reported to the manager of the Company, Board or any committee thereof or to any director of any Subsidiary or officer of the Company or any Subsidiary evidence of a material violation of securities laws, breach of fiduciary duty or similar violation by the Company or any Subsidiary or their Representatives. There are no significant deficiencies or material weaknesses in the design or operation of the Company's or any Subsidiary's internal controls that could adversely affect the Company's or any Subsidiary's ability to record, process, summarize and report financial data.

2.5 Absence of Changes. Between January 1, 2017 and the date hereof, (i) the Company and each Subsidiary has conducted the Business only in the ordinary course of business consistent with past practice, (ii) there has not occurred a Material Adverse Effect with respect to the Company or any Subsidiary and (iii) neither the Company nor any Subsidiary has done, caused or permitted any of the actions described in Section 5.2 if such action were taken by the Company or any Subsidiary, without the written consent of Buyer, between the Agreement Date and the earlier of the termination of this Agreement and the Closing.

2.6 Litigation. There is no Legal Proceeding to which the Company or any Subsidiary is a party pending before any Governmental Entity, or, to the knowledge of the Company, threatened against the Company or any Subsidiary or any of their assets or any of their directors, managers, officers or employees (in their capacities as such or relating to their employment, services or relationship with the Company or any Subsidiary). There is no Order against the Company or any Subsidiary, any of their assets, or, to the knowledge of the Company, any of their directors, managers, officers or employees (in their capacities as such or relating to their employment, services or relationship with the Company or any Subsidiary). To the knowledge of the Company, there is no reasonable basis for any Person to assert a claim against the Company, any Subsidiary, or any of their assets or any of their directors, managers, officers or employees (in their capacities as such or relating to their employment, services or relationship with the Company or any Subsidiary) based upon: (i) the Company entering into this Agreement, any of the Transactions or the agreements contemplated by this Agreement, including a claim that such director, manager, officer or employee breached a fiduciary duty in connection therewith, (ii) any confidentiality or similar agreement entered into by the Company regarding its assets or (iii) any claim that the Company or any Subsidiary has agreed to sell or dispose of any of their assets to any party other than Buyer, whether by way of merger, consolidation, sale of assets or otherwise. Neither the Company nor any Subsidiary has any Legal Proceeding pending against any other Person.

2.7 Restrictions on Business Activities. There is no Contract or Order binding upon the Company or any Subsidiary that restricts or prohibits, purports to restrict or prohibit, has or would reasonably be

expected to have the effect of prohibiting, restricting or impairing any current business practice of the Company or any Subsidiary, any acquisition of property by the Company or any Subsidiary, the conduct or operation of the Business or, excluding restrictions on the use of Third-Party Intellectual Property contained in the applicable written license agreement therefor, limiting the freedom of the Company or any Subsidiary to (i) engage or participate, or compete with any other Person, in any line of business, market or geographic area with respect to the Company Products or the Company Intellectual Property, or to make use of any Company Intellectual Property, including any grants by the Company or any Subsidiary of exclusive rights or licenses or (ii) sell, distribute or manufacture any products or services or to purchase or otherwise obtain any software, components, parts or services.

2.8 Compliance with Laws; Governmental Permits.

(a) The Company and each Subsidiary has complied in all material respects with, is not in violation in any material respect of, and has not received any notices of violation with respect to, Applicable Law.

(b) The Company and each Subsidiary has obtained each material federal, state, county, local or foreign governmental consent, license, permit, grant or other authorization of a Governmental Entity (i) pursuant to which the Company or any Subsidiary currently operates or holds any interest in any of its assets or properties or (ii) that is required for the conduct of the Business or the holding of any such interest (all of the foregoing consents, licenses, permits, grants and other authorizations, collectively, the "***Company Authorizations***"), and all of the Company Authorizations are in full force and effect. Neither the Company nor any Subsidiary has received any notice or other communication from any Governmental Entity regarding (i) any actual or possible violation of any Company Authorization or (ii) any actual or possible revocation, withdrawal, suspension, cancellation, termination or modification of any Company Authorization, and to the knowledge of the Company, no such notice or other communication is forthcoming. The Company and each Subsidiary has materially complied with all of the terms of the Company Authorizations and none of the Company Authorizations will be terminated or impaired, or will become terminable, in whole or in part, as a result of the consummation of the Transactions.

2.9 Title to, Condition and Sufficiency of Assets; Real Property.

(a) The Company and each Subsidiary has good title to, or valid leasehold interest in all of its properties, and interests in properties and assets, real and personal, reflected on the Company Balance Sheet or acquired after the Company Balance Sheet Date (except properties and assets, or interests in properties and assets, sold or otherwise disposed of since the Company Balance Sheet Date in the ordinary course of business consistent with past practice), or, with respect to leased properties and assets, valid leasehold interests in such properties and assets that afford the Company and/or any Subsidiary, as applicable, valid leasehold possession of the properties and assets that are the subject of such leases, in each case, free and clear of all Encumbrances, except Permitted Encumbrances. Schedule 2.9(a) of the Company Disclosure Letter identifies each parcel of real property leased by the Company or any Subsidiary. The Company has provided to Buyer true, correct and complete copies of all leases, subleases and other agreements under which the Company or any Subsidiary uses or occupies or has the right to use or occupy, now or in the future, any real property or facility, including all modifications, amendments and supplements thereto. Neither the Company nor any Subsidiary currently owns any real property.

(b) The physical assets and properties owned by the Company and each Subsidiary (i) constitute all of the physical assets and properties that are necessary for the Company and each Subsidiary

to conduct, operate and continue the conduct of the Business and (ii) constitute all of the physical assets and properties that are used in the conduct of the Business without the breach or violation of any Material Contract.

2.10 Intellectual Property.

(a) As used herein, the following terms have the meanings indicated below:

(i) "***Company Data***" means all data collected, generated, or received in connection with the marketing, delivery, or use of any Company Product, including Company-Licensed Data, Company-Owned Data and Personal Data.

(ii) "***Company Data Agreement***" means any Contract involving Company Data to which the Company or any Subsidiary is a party or is bound by, except for the standard terms of service entered into by users of the Company Products (copies of which have been made available to Buyer).

(iii) "***Company Intellectual Property***" means any and all Company-Owned Intellectual Property and any and all Third-Party Intellectual Property that is licensed to the Company or any Subsidiary.

(iv) "***Company Intellectual Property Agreements***" means any Contract governing any Company Intellectual Property to which the Company or any Subsidiary is a party or bound by, except for Contracts for Third-Party Intellectual Property that is generally, commercially available software and (A) is not material to the Company or any Subsidiary, (B) has not been modified or customized for the Company or any Subsidiary and (C) is licensed for an annual fee under $5,000.

(v) "***Company-Owned Intellectual Property***" means any and all Intellectual Property that is owned or purported to be owned by the Company or any Subsidiary.

(vi) "***Company Privacy Policies***" means, collectively, any and all (A) of the Company's and each Subsidiary's data privacy and security policies, whether applicable internally, or published on Company Websites or otherwise made available by the Company or any Subsidiary to any Person, (B) public representations (including representations on Company Websites), industry self-regulatory obligations and commitments and Contracts with third parties relating to the Processing of Company Data and (C) policies and obligations applicable to the Company or any Subsidiary as a result of Company's or any Subsidiary's certification under any Applicable Law.

(vii) "***Company Products***" means all products or services produced, marketed, licensed, sold, distributed or performed by or on behalf of the Company or any Subsidiary and all products, services or features currently under development and scheduled for commercial release within 90 days following the date of this Agreement.

(viii) "***Company Registered Intellectual Property***" means the United States, international and foreign: (A) patents and patent applications (including provisional applications), (B) registered trademarks, applications to register trademarks, intent-to-use applications, or other registrations or applications related to trademarks, (C) registered Internet domain names and (D) registered copyrights and applications for copyright registration, in each case registered or filed in the name of, or owned by, the Company or any Subsidiary.

(ix) "***Company Source Code***" means, collectively, any software source code or database specifications or designs, or any material proprietary information or algorithm contained in or relating to any software source code or database specifications or designs, of any Company-Owned Intellectual Property or Company Products.

(x) "***Company Websites***" means all web sites owned, operated or hosted by the Company or any Subsidiary or through which the Company or any Subsidiary conducts the Business (including those web sites operated using the domain names listed in Schedule 2.10(c) of the Company Disclosure Letter), and the underlying platforms for such web sites.

(xi) "***Intellectual Property***" means (A) Intellectual Property Rights and (B) Proprietary Information and Technology.

(xii) "***Intellectual Property Rights***" means any and all of the following and all rights in, arising out of, or associated therewith, throughout the world: patents, utility models, and applications therefor and all reissues, divisions, re-examinations, renewals, extensions, provisionals, continuations and continuations-in-part thereof and equivalent or similar rights in inventions and discoveries anywhere in the world, including invention disclosures, common law and statutory rights associated with trade secrets, confidential and proprietary information and know-how, industrial designs and any registrations and applications therefor, trade names, logos, trade dress, trademarks and service marks, trademark and service mark registrations, trademark and service mark applications and any and all goodwill associated with and symbolized by the foregoing items, Internet domain name applications and registrations, Internet and World Wide Web URLs or addresses, copyrights, copyright registrations and applications therefor and all other rights corresponding thereto, database rights, mask works, mask work registrations and applications therefor and any equivalent or similar rights in semiconductor masks, layouts, architectures or topology, moral and economic rights of authors and inventors, however denominated and any similar or equivalent rights to any of the foregoing.

(xiii) "***Open Source Materials***" means any license meeting the Open Source Definition (as promulgated by the Open Source Initiative) or the Free Software Definition (as promulgated by the Free Software Foundation), or any substantially similar license, including but not limited to any license approved by the Open Source Initiative, or any Creative Commons License.

(xiv) "***Personal Data***" means a natural Person's (including an end user's or an employee's) name, street address, telephone number, e-mail address, photograph, social security number, driver's license number, passport number or user or account number, or any other piece of information that allows the identification of a natural Person or is otherwise considered personally identifiable information or personal data under Applicable Law.

(i) "***Privacy Laws***" means (A) each Applicable Law applicable to the protection or Processing or both of Personal Data, and includes rules relating to the Payment Card Industry Data Security Standards, and direct marketing, e-mails, text messages or telemarketing and (B) binding guidance issued by a Governmental Entity that pertains to one of the laws, rules or standards outlined in clause (A).

(ii) "***Process***" or "***Processing***" means, with respect to data, the use, collection, processing, storage, recording, organization, adaption, alteration, transfer, retrieval, consultation, disclosure, dissemination or combination of such data.

(iii) "***Proprietary Information and Technology***" means any and all of the following: works of authorship, computer programs, source code and executable code, whether embodied in software, firmware or otherwise, assemblers, applets, compilers, user interfaces, application programming interfaces, protocols, architectures, documentation, annotations, comments, designs, files, records, schematics, test methodologies, test vectors, emulation and simulation tools and reports, hardware development tools, models, tooling, prototypes, breadboards and other devices, data, data structures, databases, data compilations and collections, inventions (whether or not patentable), invention disclosures, discoveries, improvements, technology, proprietary and confidential ideas and information, know-how and information maintained as trade secrets, tools, concepts, techniques, methods, processes, formulae, patterns, algorithms and specifications, customer lists and supplier lists and any and all instantiations or embodiments of the foregoing or any Intellectual Property Rights in any form and embodied in any media.

(iv) "***Third-Party Intellectual Property***" means any and all Intellectual Property owned by a third party.

(b) Status. The Company and each Subsidiary has full title and ownership of, or is duly licensed under or otherwise authorized to use, all Intellectual Property necessary to enable it to carry on the Business, free and clear of any Encumbrances and without any conflict with or infringement upon the rights of others. The Company Intellectual Property collectively constitutes all of the intangible assets, intangible properties, rights and Intellectual Property necessary for Buyer's conduct of, or that are used in or held for use for, the Business without: (i) the need for Buyer to acquire or license any other intangible asset, intangible property or Intellectual Property Right and (ii) the breach or violation of any Contract. Neither the Company nor any Subsidiary has transferred ownership of, or granted any exclusive rights in, any Company Intellectual Property to any third party. No third party has any ownership right, title, interest, claim in or lien on any of the Company-Owned Intellectual Property or Company-Owned Data.

(c) Company Registered Intellectual Property. Schedule 2.10(c) of the Company Disclosure Letter lists all Company Registered Intellectual Property, the jurisdictions in which it has been issued or registered or in which any application for such issuance and registration has been filed or the jurisdictions in which any other filing or recordation has been made and all actions that are required to be taken by the Company or any Subsidiary within 120 days following the Agreement Date in order to avoid prejudice to, impairment or abandonment of such Intellectual Property Rights (including all office actions, provisional conversions, annuity or maintenance fees or re-issuances). Each item of Company Registered Intellectual Property is valid (or in the case of applications, applied for) and subsisting, all registration, maintenance and renewal fees currently due in connection with such Company Registered Intellectual Property have been paid and all documents, recordations and certificates in connection with such Company Registered Intellectual Property currently required to be filed have been filed with the relevant patent, copyright, trademark or other authorities in the United States or foreign jurisdictions, as the case may be, for the purposes of prosecuting, maintaining and perfecting such Company Registered Intellectual Property and recording the Company's and any Subsidiary's ownership interests therein. The Company has provided to Buyer copies of all of the Company's and any Subsidiary's pending patent applications.

(d) Company Products. Schedule 2.10(d) of the Company Disclosure Letter lists all Company Products, and for each such product or feature (and each version thereof) identifying its release date.

(e) No Assistance. At no time during the conception of or reduction to practice of any of the Company-Owned Intellectual Property was the Company, any Subsidiary or to the knowledge of the

Company any developer, inventor or other contributor to such Company-Owned Intellectual Property operating under any grants from any Governmental Entity or agency or private source, performing research sponsored by any Governmental Entity or agency or private source or subject to any employment agreement or invention assignment or nondisclosure agreement or other obligation with any third party that could adversely affect the Company's or any Subsidiary's rights in such Company-Owned Intellectual Property.

(f) Founders. All rights in, to and under all Intellectual Property created by the Company's founders for or on behalf or in contemplation of the Company or any Subsidiary (i) prior to the inception of the Company or (ii) prior to their commencement of employment with the Company have been duly and validly assigned to the Company, and the Company has no reason to believe that any such Person is unwilling to provide Buyer or the Company with such cooperation as may reasonably be required to complete and prosecute all appropriate United States and foreign patent and copyright filings related thereto.

(g) Invention Assignment and Confidentiality Agreement . The Company and each Subsidiary has secured from all (i) consultants, advisors, employees and independent contractors who independently or jointly contributed to or participated in the conception, reduction to practice, creation or development of any Intellectual Property for the Company and each Subsidiary and (ii) named inventors of patents and patent applications owned or purported to be owned by the Company and each Subsidiary (any Person described in clause (i) or (ii), an "***Author***"), unencumbered and unrestricted exclusive ownership of, all of the Authors' right, title and interest in and to such Intellectual Property, and the Company and each Subsidiary has obtained the waiver of all non-assignable rights. No Author has retained any rights, licenses, claims or interest whatsoever with respect to any Intellectual Property developed by the Author for the Company or for any Subsidiary. Without limiting the foregoing, the Company and each Subsidiary has obtained written and enforceable proprietary information and invention disclosure and Intellectual Property assignments from all current and former Authors and, in the case of patents and patent applications, such assignments have been recorded with the relevant authorities in the applicable jurisdiction or jurisdictions. The Company has provided to Buyer copies of all forms of such disclosure and assignment documents currently and historically used by the Company and each Subsidiary and, in the case of patents and patent applications, the Company has provided to Buyer copies of all such assignments.

(h) No Violation. No current or former employee, consultant, advisor or independent contractor of the Company or any Subsidiary: (i) is in violation of any term or covenant of any Contract relating to employment, invention disclosure, invention assignment, non-disclosure or non-competition or any other Contract with any other party by virtue of such employee's, consultant's, advisor's or independent contractor's being employed by, or performing services for, the Company or any Subsidiary or using trade secrets or proprietary information of others without permission or (ii) has developed any technology, software or other copyrightable, patentable or otherwise proprietary work for the Company or any Subsidiary that is subject to any agreement under which such employee, consultant, advisor or independent contractor has assigned or otherwise granted to any third party any rights (including Intellectual Property Rights) in or to such technology, software or other copyrightable, patentable or otherwise proprietary work. Neither the execution nor delivery of this Agreement will conflict with or result in a breach of the terms, conditions or provisions of, or constitute a default under, any Contract of the type described in clause (i).

(i) Confidential Information. The Company and each Subsidiary has taken commercially reasonable steps to protect and preserve the confidentiality of all confidential or non-public information of the Company (including trade secrets) or provided by any third party to the Company or any Subsidiary ("***Confidential Information***"). All current and former employees and contractors of the Company or any Subsidiary and any third party having access to Confidential Information have executed and delivered to the Company or each Subsidiary a written legally binding agreement regarding the protection of such

Confidential Information. The Company and each Subsidiary has implemented and maintains reasonable security, disaster recovery and business continuity plans consistent with industry practices of companies offering similar services, and acts in compliance therewith. To the knowledge of the Company, neither the Company nor any Subsidiary has experienced any breach of security or otherwise unauthorized access by third parties to the Confidential Information, in the Company's or any Subsidiary's possession, custody or control. To the knowledge of the Company, there has been no Company (including with respect to any Subsidiary) or third-party breach of confidentiality.

(j) Non-Infringement.

(i) Neither the Company nor any Subsidiary has brought any Legal Proceeding for infringement or misappropriation of any Company-Owned Intellectual Property. Neither the Company nor any Subsidiary has any adjudicated or outstanding (including settlements), but unpaid, Liabilities for infringement or misappropriation of any Third-Party Intellectual Property. The operation of the Business, including (A) the design, development, manufacturing, reproduction, marketing, licensing, sale, offer for sale, importation, distribution, provision and/or use of any Company Product and/or Company-Owned Intellectual Property and (B) the Company's and each Subsidiary's use of any product, device, process or service used in the Business as previously conducted, currently conducted, and as proposed by the Company to be conducted and each Subsidiary, has not, does not and will not infringe (directly or indirectly, including via contribution or inducement), misappropriate or violate any Third-Party Intellectual Property, breach any terms of service, click-through agreement or any other agreement applicable to use of such Third-Party Intellectual Property, and does not constitute unfair competition or unfair trade practices under the Applicable Law of any jurisdiction in which the Company and any Subsidiary conducts its business or in which Company Products are manufactured, marketed, distributed, licensed or sold and there is no basis for any such claims. Neither the Company nor any Subsidiary has been sued in any Legal Proceeding or received any written communications (including any third party reports by users) alleging that the Company or any Subsidiary has infringed, misappropriated, or violated or, by conducting the Business, would infringe, misappropriate, or violate any Intellectual Property of any other Person or entity. No Company-Owned Intellectual Property or Company Product, or to the knowledge of the Company, any Company Intellectual Property, is subject to any Legal Proceeding, Order, settlement agreement or right that restricts in any manner the use, transfer or licensing thereof by the Company or any Subsidiary, or that may affect the validity, use or enforceability of any Company Intellectual Property. Neither the Company nor any Subsidiary has received any opinion of counsel that any Company Product or Company-Owned Intellectual Property or the operation of the business of the Company or any Subsidiary, as previously or currently conducted, or as currently proposed to be conducted, infringes or misappropriates any Third-Party Intellectual Property Rights.

(ii) To the knowledge of the Company, there is no unauthorized use, unauthorized disclosure, infringement or misappropriation of any Company-Owned Intellectual Property by any third party.

(k) Licenses; Agreements.

(i) Neither the Company nor any Subsidiary has granted any options, licenses or agreements (or is bound by or a party to any Contract with respect thereto) of any kind relating to any Company-Owned Intellectual Property except for nonexclusive end use terms of service entered into by end users of the Company Products in the ordinary course of the Business (copies of the forms of which have been provided to Buyer).

(ii) Neither the Company nor any Subsidiary is obligated to pay any royalties or other payments to third parties with respect to the marketing, sale, distribution, manufacture, license or use of any Company Products or Company-Owned Intellectual Property or any other property or rights.

(l) Other Intellectual Property Agreements. With respect to the Company Intellectual Property Agreements:

(i) each such agreement is valid and subsisting and has, where required, been duly recorded or registered;

(ii) neither the Company nor any Subsidiary is (nor will they be as a result of the execution and delivery or effectiveness of this Agreement or the performance of the Company's and any Subsidiary's obligations under this Agreement), in breach of any Company Intellectual Property Agreement and the consummation of the Transactions will not result in the modification, cancellation, termination, suspension of, or acceleration of any payments, rights, obligations or remedies with respect to any Company Intellectual Property Agreements, or give any non-Company or non-Subsidiary party to any Company Intellectual Property Agreement the right to do any of the foregoing;

(iii) to the knowledge of the Company, no counterparty to any Company Intellectual Property Agreement is in breach thereof;

(iv) at and after the Closing, the Company (as a wholly owned subsidiary of Buyer) will be permitted to exercise all of the Company's and each Subsidiary's rights under the Company Intellectual Property Agreements to the same extent the Company or any Subsidiary would have been able to had the Transactions not occurred and without the payment of any additional amounts or consideration other than ongoing fees, royalties or payments that the Company or any Subsidiary would otherwise be required to pay;

(v) to the knowledge of the Company, there are no disputes or Legal Proceedings (pending or threatened) regarding the scope of any Company Intellectual Property Agreements, or performance under any Company Intellectual Property Agreements including with respect to any payments to be made or received by the Company or any Subsidiary thereunder;

(vi) no Company Intellectual Property Agreement requires the Company or any Subsidiary to include any Third-Party Intellectual Property in any Company Product or obtain any Person's approval of any Company Product at any stage of development, licensing, distribution or sale of that Company Product;

(vii) none of the Company Intellectual Property Agreements grants any third party exclusive rights to or under any Company Intellectual Property;

(viii) none of the Company Intellectual Property Agreements grants any third party the right to sublicense any Company Intellectual Property;

(ix) excluding "shrink wrap" and similar generally available commercial end-user licenses to software or services, the Company and each Subsidiary has obtained valid, written, perpetual, non-terminable (other than for cause) licenses to all Third-Party Intellectual Property that

is incorporated into, integrated or bundled by the Company or any Subsidiary with any of the Company Products; and

(x) no third party that has licensed Intellectual Property Rights to the Company or any Subsidiary has ownership or license rights to improvements or derivative works made by the Company or any Subsidiary in the Third-Party Intellectual Property that has been licensed to the Company or any Subsidiary.

(m) Non-Contravention. None of the execution and performance of this Agreement nor the consummation of the Transactions will result in: (i) Buyer or any of its Affiliates granting to any third party any right to or with respect to any Intellectual Property Rights owned by, or licensed to, Buyer or any of its Affiliates other than Company Intellectual Property, (ii) Buyer or any of its Affiliates (other than the Company), being bound by or subject to, any exclusivity obligations, non-compete or other restriction on the operation or scope of their respective businesses, (iii) Buyer being obligated to pay any royalties or other material amounts to any third party in excess of those payable by any of them, respectively, in the absence of this Agreement or the Transactions or (iv) any termination of, or other material impact to, any Company Intellectual Property.

(n) Company Source Code. Neither the Company nor any Subsidiary has disclosed, delivered or licensed to any Person or agreed or obligated itself to disclose, deliver or license to any Person, or permitted the disclosure or delivery to any escrow agent or other Person of, any Company Source Code, other than disclosures to employees, contractors and consultants (i) involved in the development of Company Products and (ii) subject to a written confidentiality agreement. No event has occurred, and no circumstance or condition exists, that (with or without notice or lapse of time, or both) will, or would reasonably be expected to, result in the disclosure, delivery or license by the Company or any Subsidiary of any Company Source Code, other than disclosures to employees and consultants involved in the development of Company Products. Without limiting the foregoing, neither the execution nor performance of this Agreement nor the consummation of any of the Transactions will result in a release from escrow or other delivery to a third party of any Company Source Code.

(o) Open Source Software. Schedule 2.10(o) of the Company Disclosure Letter identifies all Open Source Materials used in any Company Products or in the conduct of the Business, describes the manner in which such Open Source Materials were used (such description shall include whether (and, if so, how) the Open Source Materials were modified and/or distributed by the Company and each Subsidiary) and identifies the licenses under which such Open Source Materials were used. The Company and each Subsidiary is in compliance with the terms and conditions of all licenses for the Open Source Materials. Neither the Company nor any Subsidiary has (i) incorporated Open Source Materials into, or combined Open Source Materials with, the Company-Owned Intellectual Property or Company Products, (ii) distributed Open Source Materials in conjunction with any Company-Owned Intellectual Property or Company Products or (iii) used Open Source Materials, in such a way that, with respect to clauses (i) or (ii), creates, or purports to create, obligations for the Company or any Subsidiary with respect to any Company-Owned Intellectual Property or grant, or purport to grant, to any third party any rights or immunities under any Company-Owned Intellectual Property (including using any Open Source Materials that require, as a condition of use, modification and/or distribution of such Open Source Materials that other software incorporated into, derived from or distributed with such Open Source Materials be (A) disclosed or distributed in source code form, (B) be licensed for the purpose of making derivative works or (C) be redistributable at no charge).

(p) Information Technology.

(i) Status. The diagram set forth in Schedule 2.10(p)(i) of the Company Disclosure Letter is an accurate depiction of the high-level architecture of the information and communications technology infrastructure and systems that is or has been used in the Business (collectively, the "***ICT Infrastructure***") and any security and disaster recovery arrangements relating thereto. The ICT Infrastructure (including its operation and maintenance) will not be adversely affected by the Transactions, and the ICT Infrastructure will continue to be available for use by the Company and each Subsidiary immediately following the consummation of the Transactions and thereafter on substantially the same terms and conditions as prevailed immediately before the Closing, without further action or payment by Buyer. The ICT Infrastructure that is currently used in the Business constitutes all the information and communications technology and other systems infrastructure reasonably necessary to carry on the Business, including having sufficient capacity and maintenance and support requirements to satisfy the requirements of the Business with regard to information and communications technology, data processing and communications. The ICT Infrastructure is: (i) except as would not have a Material Adverse Effect, in good working order and functions in accordance with all applicable documentation and specifications, (ii) maintained and supported in accordance with industry practice and is covered by sufficient maintenance and warranty provisions to remedy, or provide compensation for, any material defect and (iii) protected by commercially reasonable security and disaster recovery arrangements, including taking and storing back-up copies (both on- and off-site) of the software and any data in the ICT Infrastructure and following procedures for preventing the introduction of viruses to, and unauthorized access of, the ICT Infrastructure.

(ii) No Faults. To the knowledge of the Company, neither the Company nor any Subsidiary has experienced, and no circumstances exist that are likely or expected to give rise to, any disruption in or to the operation of the Business as a result of: (A) any substandard performance or defect in any part of the ICT Infrastructure whether caused by any viruses, bugs, worms, software bombs or otherwise, lack of capacity or otherwise or (B) a breach of security in relation to any part of the ICT Infrastructure.

(iii) ICT Agreements. All Contracts relating to the ICT Infrastructure are valid and binding and no Contract (including any Contract for Third-Party Intellectual Property) that relates to the ICT Infrastructure has been the subject of any breach by the Company or any Subsidiary or to the knowledge of the Company, any other Person, and neither the Company nor any Subsidiary (A) has waived any breach thereof by any other Person, (B) has received any notice of termination of any such Contract and (C) has knowledge of any circumstances that would give rise to a breach, suspension, variation, revocation or termination of any such Contract without the consent of the Company and/or any Subsidiary, as applicable (other than termination on notice in accordance with the terms of such Contract).

(q) Privacy and Personal Data.

(i) The Company's and each Subsidiary's data, privacy and security practices conform, and at all times have conformed, to all of the Company Privacy Commitments, Privacy Laws and Company Data Agreements. The Company and each Subsidiary has at all times: (i) provided adequate notice and obtained any necessary consents from end users required for the Processing of Personal Data as conducted by or for the Company or any Subsidiary and (ii) abided by any privacy choices (including opt-out preferences) of end users relating to Personal Data (such obligations along with those contained in Company Privacy Policies, collectively, "***Company Privacy Commitments***"). The execution, delivery and performance of this Agreement will not cause,

constitute, or result in a breach or violation of any Privacy Laws or Company Privacy Commitments, any Company Data Agreements or standard terms of service entered into by users of the Company Products. Copies of all current and prior Company Privacy Policies have been made available to Buyer and such copies are true, correct and complete.

(ii) The Company and each Subsidiary has established and maintains appropriate technical, physical and organizational measures and security systems and technologies in compliance with all data security requirements under Privacy Laws and Company Privacy Commitments that are designed to protect Company Data against accidental or unlawful Processing in a manner appropriate to the risks represented by the Processing of such data by the Company and its data processors. The Company and each Subsidiary and its data processors have taken commercially reasonable steps to ensure the reliability of its employees that have access to Company Data, to train such employees on all applicable aspects of Privacy Laws and Company Privacy Commitments and to ensure that all employees with the right to access such data are under written obligations of confidentiality with respect to such data.

(iii) No breach, security incident or violation of any data security policy in relation to Company Data has occurred or is threatened, and there has been no unauthorized or illegal Processing of any Company Data. No circumstance has arisen in which Privacy Laws would require the Company to notify a Governmental Entity of a data security breach or security incident.

(iv) Neither the Company nor any Subsidiary has received or experienced and, to the knowledge of the Company, there is no circumstance (including any circumstance arising as the result of an audit or inspection carried out by any Governmental Entity) that would reasonably be expected to give rise to, any Legal Proceeding, Order, notice, communication, warrant, regulatory opinion, audit result or allegation from a Governmental Entity or any other Person (including an end user): (A) alleging or confirming non-compliance with a relevant requirement o f Privacy Laws or Company Privacy Commitments, (B) requiring or requesting the Company or any Subsidiary to amend, rectify, cease Processing, de-combine, permanently anonymize, block or delete any Company Data, (C) permitting or mandating relevant Governmental Entities to investigate, requisition information from, or enter the premises of, the Company or (D) claiming compensation from the Company. Neither the Company nor any Subsidiary has not been involved in any Legal Proceedings involving a breach or alleged breach of Privacy Laws or Company Privacy Commitments.

(v) Schedule 2.10(q)(v) of the Company Disclosure Letter contains the complete list of notifications and registrations made by the Company and any Subsidiary under Privacy Laws with relevant Governmental Entities in connection with the Company's Processing of Personal Data.

(vi) Where the Company or any Subsidiary uses a data processor to Process Personal Data, the processor has provided guarantees, warranties or covenants in relation to Processing of Personal Data, confidentiality, security measures and compliance with those obligations that are compliant with the Company's and any Subsidiary's obligations under Privacy Laws and Company Privacy Commitments, and there is in existence a written Contract between the Company or any Subsidiary and each such data processor that complies with the requirements of all Privacy Laws and Company Privacy Commitments. The Company has made available to Buyer true, correct and complete copies of all such Contracts. To the knowledge of the Company, such data processors have not breached any such Contracts pertaining to Personal Data Processed by such Persons on behalf of Company or any Subsidiary.

(vii) Schedule 2.10(q)(vii) of the Company Disclosure Letter contains an accurate description of the Company's collection, handling, and security policies applicable to the Company Data.

(viii) All data that the Company or any Subsidiary obtains from a third party pursuant to a data license contract with a third party ("***Company-Licensed Data***") is used pursuant to and in conformity with the terms and conditions of such data license contract. A complete and accurate list of all such data license contracts is attached as Schedule 2.10(q)(viii) of the Company Disclosure Letter. All Company Data that is not Company-Owned Data is Company-Licensed Data. All data used in the Business is either Company-Owned Data or Company-Licensed Data.

(ix) The Company and the Subsidiaries are the owners of all right, title and interest in and to each element of Company Data that (i) is used or held for use in the Business that is not Personal Data or Company-Licensed Data or (ii) the Company purports to own (collectively, "***Company-Owned Data***"). The Company has the right to Process all Company-Owned Data without obtaining any permission or authorization of any Person. Other than as set forth on Schedule 2.10(q)(ix) of the Company Disclosure Letter, the Company has not entered into any Contract governing any Company-Owned Data or to which the Company is a party or bound by, except the standard terms of use entered into by users of the Company Products (copies of which have been provided to Buyer).

(x) Neither the Company nor any Subsidiary Processes the Personal Data of any natural Person under the age of 13.

(xi) Neither the Company nor any Subsidiary has ever directly stated or indirectly implied that Company Products enhance the security of data (including Personal Data) accessed, provided or sent by end users.

(r) Company Websites. To the knowledge of the Company, no domain names have been registered by any Person that are confusingly similar to any trademarks, service marks, domain names or business or trading names used, created or owned by the Company. The contents of any Company Website and all transactions conducted over such Websites comply with Applicable Law in any applicable jurisdiction.

(s) Digital Millennium Copyright Act . The Company conducts and has conducted the Business in such a manner as to take reasonable advantage, if and when applicable, of the safe harbors provided by Section 512 of the Digital Millennium Copyright Act (the "***DMCA***") and by any substantially similar Applicable Law in any other jurisdiction in which the Company conducts the Business, including by informing users of its products and services of such policy, designating an agent for notice of infringement claims, registering such agent with the United States Copyright Office, and taking appropriate action expeditiously upon receiving notice of possible infringement in accordance with the "notice and take-down" procedures of the DMCA or such other Applicable Law.

2.11 Taxes.

(a) The Company and each Subsidiary has properly completed and timely filed all Tax Returns required to be filed by it prior to the Closing Date, has timely paid all Taxes required to be paid by it (whether or not shown on any Tax Return). All Tax Returns were complete and accurate in all material respects and have been prepared in compliance with Applicable Law. There is no claim for Taxes that has resulted in an Encumbrance against any of the assets of the Company or any Subsidiary.

(b) The Company has delivered to Buyer true, correct and complete copies of all Tax Returns, examination reports and statements of deficiencies, adjustments and proposed deficiencies and adjustments in respect of the Company and each Subsidiary.

(c) The Company Balance Sheet reflects all Liabilities for unpaid Taxes of the Company for periods (or portions of periods) through the Company Balance Sheet Date. Neither the Company nor any Subsidiary has any Liability for unpaid Taxes accruing after the Company Balance Sheet Date except for Taxes arising in the ordinary course of business consistent with past practice following the Company Balance Sheet Date. Neither the Company nor any Subsidiary has any Liability for Taxes (whether outstanding, accrued for, contingent or otherwise) that are not included in the calculation of Company Net Working Capital.

(d) There is (i) no pending audit of, or Tax controversy involving, the Company or any Subsidiary that is being conducted by a Tax Authority, (ii) no other procedure, proceeding or contest of any refund or deficiency in respect of Taxes pending or on appeal with any Governmental Entity, (iii) no extension of any statute of limitations on the assessment of any Taxes granted by the Company or any Subsidiary currently in effect and (iv) no agreement to any extension of time for filing any Tax Return that has not been filed. No claim has ever been made by any Governmental Entity in a jurisdiction where the Company or any Subsidiary does not file Tax Returns that the Company is or may be subject to taxation by that jurisdiction.

(e) Neither the Company nor any Subsidiary is a party to or bound by any Tax sharing, Tax indemnity, or Tax allocation agreement, and the Company and each Subsidiary does not have any Liability or potential Liability to another party under any such agreement.

(f) The Company and each Subsidiary has disclosed on its Tax Returns any Tax reporting position taken in any Tax Return that could result in the imposition of penalties under Section 6662 of the Code or any comparable provisions of state, local or foreign Applicable Law.

(g) Neither the Company nor any Subsidiary has consummated or participated in, and is not currently participating in, any transaction that was or is a "Tax shelter" transaction as defined in Sections 6662 or 6111 of the Code or the Treasury Regulations promulgated thereunder. Neither the Company nor any Subsidiary has participated in, and is not currently participating in, a "Listed Transaction" or a "Reportable Transaction" within the meaning of Section 6707A(c) of the Code or Treasury Regulation Section 1.6011-4(b), or any transaction requiring disclosure under a corresponding or similar provision of state, local, or foreign law.

(h) Neither the Company nor any predecessor of the Company nor any Subsidiary is or has ever been a member of a consolidated, combined, unitary or aggregate group of which the Company, any predecessor of the Company or any Subsidiary was not the ultimate parent corporation.

(i) Neither the Company nor any Subsidiary has any Liability for the Taxes of any Person (other than the Company) under Section 1.1502-6 of the Treasury Regulations (or any similar provision of state, local or foreign law), as a transferee or successor, by operation of Applicable Law, by Contract or otherwise.

(j) Neither the Company nor any Subsidiary will be required to include any item of income in, or exclude any item of deduction from, Taxable income for any Taxable period (or portion thereof) ending after the Closing Date as a result of any (i) change in, or improper use of, any method of accounting for a Taxable period ending on or prior to the Closing Date, (ii) "closing agreement" described in Section 7121 of the Code (or any corresponding or similar provision of state, local, or foreign Tax law) executed on

or prior to the Closing Date, (iii) intercompany transactions (including any intercompany transaction subject to section 367 or 482 of the Code) or any excess loss account described in Treasury Regulations under Section 1502 of the Code (or any corresponding or similar provision of state, local, or foreign Tax law) with respect to a transaction occurring on or prior to the Closing Date, (iv) installment sale or open transaction disposition made on or prior to the Closing Date, (v) election under Section 108(i) of the Code made on or prior to the Closing Date or (vi) prepaid amount received on or prior to the Closing Date.

(k) Neither the Company nor any Subsidiary has incurred a dual consolidated loss within the meaning of Section 1503 of the Code.

(l) Neither the Company nor any Subsidiary has received any private letter ruling from the IRS (or any comparable Tax ruling from any other Governmental Entity).

(m) Neither the Company nor any Subsidiary is a party to any joint venture, partnership or other Contract or arrangement that could be treated as a partnership for U.S. federal income Tax purposes.

(n) The Company has provided to Buyer all documentation relating to any applicable Tax holidays or incentives. The Company and each Subsidiary is in compliance with the requirements for any applicable Tax holidays or incentives and none of the Tax holidays or incentives will be jeopardized by the transactions pursuant to this Agreement.

(o) Neither the Company nor any Subsidiary is, and it has never been, a "United States real property holding corporation" within the meaning of Section 897 of the Code, and the Company and each Subsidiary has filed with the IRS all statements, if any, that are required under Section 1.897-2(h) of the Treasury Regulations.

(p) Neither the Company nor any Subsidiary has constituted either a "distributing corporation" or a "controlled corporation" in a distribution of stock intended to qualify for Tax-free treatment under Section 355 of the Code (i) in the two years prior to the date hereof or (ii) in a distribution that could otherwise constitute part of a "plan" or "series of related transactions" (within the meaning of Section 355(e) of the Code) in conjunction with the transactions pursuant to this Agreement.

(q) Neither the Company nor any Subsidiary owns any interest in any controlled foreign corporation (as defined in Section 957 of the Code) (other than TCSI), passive foreign investment company (as defined in Section 1297 of the Code), or other entity the income of which is required to be included in the income of the Company or any Subsidiary.

(r) The Company has been treated as a disregarded entity for U.S. federal, state and local income tax purposes since its formation.

Notwithstanding anything to the contrary in this Agreement, this Section 2.11 and Section 2.12 are the sole representations and warranties of the Company with respect to Tax matters, and the provisions of this Section 2.11 or Section 2.12 (other than Sections 2.11(e), (h), (j) and (o)) shall cause Seller to be liable for any Taxes for which Seller is not expressly liable pursuant to Section 9.1(a)(v).

2.12 Employee Matters.

(a) Neither the Company nor any Subsidiary sponsors or maintains any self-funded employee welfare benefit plan, including any plan to which a stop-loss policy applies. The Company has made available to Buyer a true, correct and complete copy of each of the Company Employee Plans and

related plan documents, which could result in Liabilities for the Company or Buyer (including trust documents, insurance policies or Contracts, and summary plan descriptions) and has, with respect to each Company Employee Plan that is subject to Employee Retirement Income Security Act of 1974, as amended ("***ERISA***") reporting requirements, provided to Buyer true, correct and complete copies of the Form 5500 reports filed for the last three plan years. Any Company Employee Plan intended to be qualified under Section 401(a) of the Code has either obtained from the IRS a favorable determination letter as to its qualified status under the Code, including all amendments to the Code effected by the Tax Reform Act of 1986 and subsequent legislation, or has applied (or has time remaining in which to apply) to the IRS for such a determination letter prior to the expiration of the requisite period under applicable Treasury Regulations or IRS pronouncements in which to apply for such determination letter and to make any amendments necessary to obtain a favorable determination or has been established under a standardized prototype plan for which an IRS opinion letter has been obtained by the plan sponsor and is valid as to the adopting employer. The Company has provided to Buyer a true, correct and complete copy of the most recent IRS determination or opinion letter issued with respect to each such Company Employee Plan, and nothing has occurred since the issuance of each such letter that has caused or would reasonably be expected to cause the loss of the Tax-qualified status of any Company Employee Plan subject to Section 401(a) of the Code.

(b) None of the Company Employee Plans promises or provides retiree medical or other retiree welfare benefits to any person other than as required under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("***COBRA***") or similar state or provincial law and the Company and each Subsidiary has complied with the requirements of COBRA. There has been no material "prohibited transaction" (within the meaning of Section 406 of ERISA and Section 4975 of the Code and not exempt under Section 408 of ERISA and regulatory guidance thereunder) with respect to any Company Employee Plan. Each Company Employee Plan has been administered in all material respects in accordance with its terms and in compliance with the requirements prescribed by any and all statutes, rules and regulations (including ERISA and the Code), and the Company and each ERISA Affiliate has performed in all material respects all obligations required to be performed by it under, is not in any material respect in default under or in violation of, and has no knowledge of any default or violation by any other party to, any of the Company Employee Plans. None of the Company, any Subsidiary and any of their respective ERISA Affiliates is subject to any Liability or penalty under Sections 4976 through 4980 of the Code or Title I of ERISA with respect to any Company Employee Plans. All contributions required to be made by the Company, any Subsidiary or any ERISA Affiliate to any Company Employee Plan have been made on or before their due dates and a reasonable amount has been accrued for contributions to each Company Employee Plan as required by applicable accounting standards for the current plan years (and no further contributions will be due or will have accrued thereunder as of the Closing Date, other than contributions accrued in the ordinary course of business consistent with past practice after the Company Balance Sheet Date as a result of the operations of the Company or any Subsidiary after the Company Balance Sheet Date). In addition, with respect to each Company Employee Plan intended to include a Code Section 401(k) arrangement, the Company, each Subsidiary and each of the ERISA Affiliates have made timely deposits of employee salary reduction contributions and participant loan repayments, as determined pursuant to regulations issued by the United States Department of Labor. No Company Employee Plan is covered by, and neither the Company nor any ERISA Affiliate has incurred or expects to incur any Liability under Title IV of ERISA or Section 412 of the Code. Each Company Employee Plan can be terminated or otherwise discontinued after the Closing in accordance with its terms, without Liability to Buyer (other than ordinary and reasonable administrative expenses typically incurred in a termination event). With respect to each Company Employee Plan subject to ERISA or Canadian federal or provincial pension standards legislation as either an employee pension benefit plan within the meaning of Section 3(2) of ERISA, an employee welfare benefit plan within the meaning of Section 3(1) of ERISA, or a "registered pension plan" as that term is defined under the *Income Tax Act* (Canada), in each case in all material respects, the Company and any applicable ERISA Affiliate

have prepared in good faith and timely filed all requisite governmental reports (which were true, correct and complete as of the date filed), including any required audit reports, and have properly and timely filed and distributed or posted all notices and reports to employees required to be filed, distributed or posted with respect to each such Company Employee Plan. No suit, administrative proceeding, action, litigation or claim has been brought, or to the knowledge of the Company, is threatened, against or with respect to any such Company Employee Plan, including any audit or inquiry by the IRS, United States Department of Labor or Canada Revenue Agency.

(c) There has been no amendment to, written interpretation or announcement (whether or not written) by the Company, any Subsidiary or other ERISA Affiliate relating to, or change in participation or coverage under, any Company Employee Plan that would materially increase the expense of maintaining such Company Employee Plan above the level of expense incurred with respect to such Company Employee Plan for the most recent full fiscal year included in the Financial Statements.

(d) Neither the Company nor any current or former Subsidiary or ERISA Affiliate currently maintains, sponsors, participates in or contributes to, or has ever in the past six years maintained, established, sponsored, participated in, or contributed to, any pension plan (within the meaning of Section 3(2) of ERISA) that is subject to Part 3 of Subtitle B of Title I of ERISA, Title IV of ERISA or Section 412 of the Code. No Company Employee Plan is a Defined Benefit Plan.

(e) Neither the Company nor any Subsidiary or ERISA Affiliate is a party to, or has in the past six years made any contribution to or otherwise incurred any obligation under, any "multiemployer plan" as such term is defined in Section 3(37) of ERISA or any "multiple employer plan" as such term is defined in Section 413(c) of the Code, or any Canadian Multi-Employer Plan.

(f) No Company Employee Plan is sponsored, maintained or contributed to under the law or applicable custom or rule of the any jurisdiction outside of the United States.

(g) The Company and each Subsidiary is in compliance in all material respects with all Applicable Law respecting employment, discrimination in employment, terms and conditions of employment, employee benefits, wages, hours and occupational safety and health and employment practices, including the Immigration Reform and Control Act and, with respect to each Company Employee Plan, (i) the applicable health care continuation and notice provisions of COBRA and the regulations (including proposed regulations) thereunder, (ii) the applicable requirements of the Family Medical and Leave Act of 1993 and the regulations (including proposed regulations) thereunder, (iii) the applicable requirements of the Health Insurance Portability and Accountability Act of 1996 and the regulations (including proposed regulations) thereunder, (iv) the applicable requirements of the Americans with Disabilities Act of 1990, as amended and the regulations (including proposed regulations) thereunder, (v) the Age Discrimination in Employment Act of 1967, as amended, and (vi) the applicable requirements of the Women's Health and Cancer Rights Act of 1998 and the regulations (including proposed regulations) thereunder. The Company is not engaged in any unfair labor practice.

(h) Neither the Company nor any Subsidiary is liable for any arrears of wages, compensation, penalties or other sums for failure to comply with Applicable Law. The Company and each Subsidiary has paid in full to all employees, independent contractors and consultants all wages, salaries, commissions, bonuses, benefits and other compensation due to or on behalf of such employees, independent contractors and consultants (other than for the current payroll period to be paid in the ordinary course). Neither the Company nor any Subsidiary is liable for any payment to any trust or other fund or to any Governmental Entity, with respect to unemployment compensation benefits, social security or other benefits

or obligations for employees (other than routine payments to be made in the normal course of business and consistently with past practice). There are no pending claims against the Company or any Subsidiary under any workers compensation plan or policy or for long term disability. Neither the Company nor any Subsidiary has any obligations under COBRA with respect to any former employees or qualifying beneficiaries thereunder, except for obligations that are not material in amount.

(i) The Company has provided to Buyer true, correct and complete copies of each of the following (in each case to the extent the applicable form was used for one or more agreements currently in effect or pursuant to which the Company or any Subsidiary has or may have any Liability): (i) all forms of offer letters, (ii) all forms of employment agreements and severance agreements, (iii) all forms of services agreements and agreements with current and former consultants and/or advisory board members, (iv) all forms of confidentiality, non-competition or inventions agreements between current and former employees/consultants and the Company or any Subsidiary (and a true, correct and complete list of employees, consultants and/or others not subject thereto), (v) the most current management organization chart(s), (vi) all forms of bonus plans and any form award agreement thereunder and (vii) a schedule of bonus commitments made to employees of the Company.

(j) Neither the Company nor any Subsidiary is a party to or bound by any collective bargaining agreement, works council arrangement or other labor union Contract, no collective bargaining agreement is being negotiated by the Company or any Subsidiary and neither the Company nor any Subsidiary has any duty to bargain with any labor organization. There is no pending demand for recognition or any other request or demand from a labor organization for representative status with respect to any Person employed by the Company or any Subsidiary. To the knowledge of the Company, there are no activities or proceedings of any labor union or to organize their respective employees. There is no labor dispute, strike or work stoppage against the Company or any Subsidiary pending or, to the knowledge of the Company, threatened that may interfere with the conduct of the Business. Neither the Company nor, to the knowledge of the Company, any of its Representatives has committed any unfair labor practice in connection with the conduct of the Business, and there is no charge or complaint against the Company by the National Labor Relations Board or any comparable Governmental Entity pending or, to the knowledge of the Company, threatened. No employee of the Company or any Subsidiary has been dismissed in the 12 months immediately preceding the Agreement Date.

(k) Schedule 2.12(k) of the Company Disclosure Letter sets forth each non-competition agreement and non-solicitation agreement that binds any current or former employee or contractor of the Company and each Subsidiary (other than those agreements entered into with newly hired employees of the Company or any Subsidiary in the ordinary course of business consistent with past practice). Except as set forth on Schedule 2.12(k) of the Company Disclosure Letter, the employment of each of the employees of the Company and each Subsidiary is "at will" (except for non-United States employees of the Company or any Subsidiary located in a jurisdiction that does not recognize the "at will" employment concept) and neither the Company nor any Subsidiary has any obligation to provide any particular form or period of notice prior to terminating the employment of any of their respective employees. As of the Agreement Date, except as required by Applicable Law, neither the Company nor any Subsidiary has, and to the knowledge of the Company, no other Person has, (i) entered into any Contract that obligates or purports to obligate Buyer to make an offer of employment to any present or former employee or consultant of the Company or any Subsidiary and/or (ii) promised or otherwise provided any assurances (contingent or otherwise) to any present or former employee or consultant of the Company of any terms or conditions of employment with Buyer following the Effective Time.

(l) Schedule 2.12(l)(i) of the Company Disclosure Letter sets forth as of the date of this Agreement, a true, correct and complete list of all officers and employees of the Company and each Subsidiary, showing each such individual's name, position, work location, immigration or visa status, annual remuneration, status as exempt/non-exempt, bonuses and fringe benefits for the current fiscal year and the most recently completed fiscal year and any severance or termination payment (in cash or otherwise) to which any employee could be entitled pursuant to any agreement between the Company or TCSI on one hand and a Company Employee on the other hand. Schedule 2.12(l)(ii) of the Company Disclosure Letter sets forth the additional following information for each of its international employees: city/country of employment, date of hire, manager's name and work location. Schedule 2.12(l)(iii) of the Company Disclosure Letter sets forth a true, correct and complete list of all of its consultants, advisory board members and independent contractors and, for each, (i) such individual's compensation, (ii) such individual's initial date of engagement, (iii) whether such engagement has been terminated by written notice by either party thereto and (iv) the notice or termination provisions applicable to the services provided by such individual. Schedule 2.12(l)(iv) of the Company Disclosure Letter sets forth a list of all employees whose employment has been terminated within 90 days preceding the date hereof.

(m) The Company and each Subsidiary is in compliance in all material respects with the Warn Act, or any similar state or local law. In the past two years, (i) neither the Company nor any Subsidiary has effectuated a "plant closing" (as defined in the WARN Act) affecting any site of employment or one or more facilities or operating units within any site of employment or facility of its business, (ii) there has not occurred a "mass layoff" (as defined in the WARN Act) affecting any site of employment or facility of the Company or any Subsidiary and (iii) neither the Company nor any Subsidiary has been affected by any transaction or engaged in layoffs or employment terminations sufficient in number to trigger application of any similar state, local or foreign law or regulation. Neither the Company nor any Subsidiary has caused any of its employees to suffer an "employment loss" (as defined in the WARN Act) during the 90-day period immediately preceding the Agreement Date.

(n) Each Company Employee Plan that is a health plan in the United States is in compliance in all material respects with the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010.

(o) None of the execution, delivery and performance of this Agreement or the consummation of the Transactions (together with any termination of employment or service and any other event in connection therewith or subsequent thereto will, individually or together with the occurrence of some other event (whether contingent or otherwise), (i) result in any material payment or benefit (including severance, supplemental, unemployment compensation, golden parachute, bonus or otherwise) becoming due or payable, or required to be provided, to any current or former employee, director, independent contractor or consultant, (ii) materially increase the amount or value of any benefit or compensation otherwise payable or required to be provided to any current or former employee, director, independent contractor or consultant, (iii) result in the acceleration of the time of payment, vesting or funding of any such benefit or compensation, (iv) increase the amount of compensation due to any current or former employee, director, independent contractor or consultant, (v) result in the forgiveness in whole or in part of any outstanding loans made by the Company to any current or former employee, director, independent contractor or consultant or (vi) result in or require the payment of any parachute payment to current or former employee, director, independent contractor or consultant.

(p) Schedule 2.12(p) of the Company Disclosure Letter sets forth whether any service provider of the Company or any Subsidiary works pursuant to a work authorization, visa, or work permission, and the specific terms thereof, including expiration dates. The Company has obtained and maintains evidence

of Forms I-9 in respect of each service provider in the United States and is in compliance with all applicable immigration laws.

2.13 Interested-Party Transactions. None of the officers and directors of the Company or any Subsidiary and, to the knowledge of the Company, none of the other employees of the Company, any Subsidiary and Seller, and none of the immediate family members of any of the foregoing, (i) has any direct or indirect ownership, participation, royalty or other interest in, or is an officer, director, employee of or consultant or contractor for any firm, partnership, entity or corporation that competes with, or does business with, or has any contractual arrangement with, the Company or any Subsidiary (except with respect to any interest in less than 5% of the stock of any corporation whose stock is publicly traded), (ii) is a party to, or to the knowledge of the Company, otherwise directly or indirectly interested in, any Contract to which the Company or any Subsidiary is a party or by which the Company or any Subsidiary or any of their assets are bound, except for normal compensation for services as an officer, director or employee thereof or (iii) to the knowledge of the Company, has any interest in any property, real or personal, tangible or intangible (including any Intellectual Property) that is used in, or that relates to, the Business, except for the rights of Seller under Applicable Law.

2.14 Insurance. Seller maintains the policies of insurance and bonds set forth in Schedule 2.14 of the Company Disclosure Letter, including all legally required workers' compensation insurance and errors and omissions, casualty, fire and general liability insurance. Schedule 2.14 of the Company Disclosure Letter sets forth the name of the insurer under each such policy and bond, the type of policy or bond, the coverage amount and any applicable deductible and any other material provisions as of the Agreement Date as well as all material claims made relating to the Company under such policies and bonds since inception. The Company has provided to Buyer true, correct and complete copies of all such policies of insurance and bonds issued at the request or for the benefit of the Company or any Subsidiary. There is no claim pending under any of such policies or bonds as to which coverage has been questioned, denied or disputed by the underwriters of such policies or bonds. All premiums due and payable under all such policies and bonds have been timely paid and Seller is otherwise in material compliance with the terms of such policies and bonds. All such policies and bonds remain in full force and effect, and the Company has no knowledge of any threatened termination of, or material premium increase with respect to, any of such policies.

2.15 Books and Records. The Company has provided to Buyer true, correct and complete copies of (i) all documents identified on the Company Disclosure Letter (except to the extent that certain documents provided to Buyer as of the date of this Agreement have been redacted for antitrust purposes, which documents are true and correct, but not complete), (ii) the Operating Agreement or equivalent organizational or governing documents of the Company and each Subsidiary, each as currently in effect, (iii) the complete minute books containing records of all proceedings, consents and actions of the manager and the sole member of the Company, including any presentations and written materials provided thereto in connection with such proceedings, consents and actions and (iv) all currently effective permits, orders and consents issued by any regulatory agency with respect to the Company or any Subsidiary and all applications for such permits, orders and consents. The minute books of the Company and each Subsidiary provided to Buyer contain a true, correct and complete summary of all meetings of the Company manager, of the Company member and of the directors and shareholders of each Subsidiary or actions by written consent or resolution since the time of incorporation of the Company or any Subsidiary through the Agreement Date. The books, records and accounts of the Company and each Subsidiary (A) are true, correct and complete in all material respects, (B) have been maintained in accordance with reasonable business practices on a basis consistent with prior years, (C) are stated in reasonable detail and accurately and fairly reflect all of the transactions and dispositions of the assets and properties of the Company or any Subsidiary and (D) accurately and fairly reflect the basis for the Financial Statements.

2.16 Material Contracts.

(a) Schedules 2.16(a)(i) through (xxiv) of the Company Disclosure Letter set forth a list of each of the following Contracts to which the Company or any Subsidiary is a party that are in effect on the Agreement Date (such Contracts, including if entered into on or after the Agreement Date and prior to the Closing, the "***Material Contracts***"):

(i) any Contract with a Significant Customer;

(ii) any dealer, distributor, referral or similar agreement, or any Contract providing for the grant of rights to reproduce, license, market, refer or sell its products or services to any other Person or relating to the advertising or promotion of the Business or pursuant to which any third parties advertise on any websites operated by the Company or any Subsidiary;

(iii) (A) any joint venture Contract, (B) any Contract that involves a sharing of revenues, profits, cash flows, expenses or losses with other Persons and (C) any Contract that involves the payment of royalties to any other Person;

(iv) any separation agreement or severance agreement with any current or former employees under which the Company or any Subsidiary has any actual or potential Liability;

(v) any Contract (A) pursuant to which any other party is granted exclusive rights or "most favored party" rights of any type or scope with respect to any of the Company Products or Company Intellectual Property, (B) containing any non-competition covenants or other restrictions relating to the Company Products or Company Intellectual Property or (C) that limits or would limit the freedom of the Company or any Subsidiary or any of its successors or assigns or their respective Affiliates to (I) engage or participate, or compete with any other Person, in any line of business, market or geographic area with respect to the Company Products or the Company Intellectual Property, or to make use of any Company Intellectual Property, including any grants by the Company of exclusive rights or licenses or (II) sell, distribute or manufacture any products or services or to purchase or otherwise obtain any software, components, parts or services;

(vi) any standstill or similar agreement containing provisions prohibiting a third party from purchasing Equity Interests of the Company or assets of the Company or any Subsidiary or otherwise seeking to influence or exercise control over the Company or any Subsidiary;

(vii) other than "shrink wrap" and similar generally available commercial end-user licenses to software that have an individual acquisition cost of $10,000 or less, all licenses, sublicenses and other Contracts to which the Company or any Subsidiary is a party and pursuant to which the Company or any Subsidiary acquired or is authorized to use any Third-Party Intellectual Property Rights used in the development, marketing or licensing of the Company Products;

(viii) any license, sublicense or other Contract to which the Company or any Subsidiary is a party and pursuant to which any Person is authorized to use any Company-Owned Intellectual Property Rights, except for customary nonexclusive end use terms of service entered into by end users of the Company Products in the ordinary course of the Business, the forms of which have been made available to Buyer;

(ix) any license, sublicense or other Contract pursuant to which the Company or any Subsidiary has agreed to any restriction on the right of the Company or any Subsidiary to use

or enforce any Company-Owned Intellectual Property Rights or pursuant to which the Company or any Subsidiary agrees to encumber, transfer or sell rights in or with respect to any Company-Owned Intellectual Property Rights, except for customary nonexclusive end use terms of service entered into by end users of the Company Products in the ordinary course of the Business, the forms of which have been made available to Buyer;

(x) any Contracts relating to the membership of, or participation by, the Company or any Subsidiary in, or the affiliation of the Company or any Subsidiary with, any industry standards group or association;

(xi) any Contract providing for the development of any software, technology or Intellectual Property Rights, independently or jointly, either by or for the Company or any Subsidiary (other than employee invention assignment agreements and consulting agreements with Authors on the Company's or any Subsidiary's standard form of agreement, copies of which have been provided to Buyer);

(xii) any confidentiality, secrecy or non-disclosure Contract other than any such Contract entered into by the Company or any Subsidiary in the ordinary course of business consistent with past practice;

(xiii) any Contract to license or authorize any third party to manufacture or reproduce any of the Company Products or Company Intellectual Property;

(xiv) any Contract containing any indemnification, warranty, support, maintenance or service obligation or cost on the part of the Company or any Subsidiary, except for nonexclusive end use terms of service entered into by end users of the Company Products in the ordinary course of the Business, the forms of which have been made available to Buyer and other than "shrink wrap" and similar generally available commercial end-user licenses to software that have an individual acquisition cost of $5,000 or less;

(xv) any settlement agreement with respect to any Legal Proceeding;

(xvi) any Contract pursuant to which rights of any third party are triggered or become exercisable, or under which any other consequence, result or effect arises, in connection with or as a result of the execution of this Agreement or the consummation of the Transactions, either alone or in combination with any other event;

(xvii) any Contract or plan (including any stock option, merger and/or stock bonus plan) relating to the sale, issuance, grant, exercise, award, purchase, repurchase or redemption of any membership interests of the Company or any other securities of the Company or any Subsidiary or any options, warrants, convertible notes or other rights to purchase or otherwise acquire any such shares of stock, other securities or options, warrants or other rights therefor, except for the repurchase rights disclosed on Schedule 2.2(a) or Schedule 2.2(b) of the Company Disclosure Letter;

(xviii) any Contract with any labor union or any collective bargaining agreement or similar contract with its employees;

(xix) any trust indenture, mortgage, promissory note, loan agreement or other Contract for the borrowing of money, any currency exchange, commodities or other hedging

arrangement or any leasing transaction of the type required to be capitalized in accordance with GAAP;

(xx) any Contract of guarantee, surety, support, indemnification (other than pursuant to its standard end user agreements), assumption or endorsement of, or any similar commitment with respect to, the Liabilities or indebtedness of any other Person;

(xxi) any Contract for capital expenditures in excess of $50,000 in the aggregate;

(xxii) any Contract pursuant to which the Company or any Subsidiary is a lessor or lessee of any real property or any machinery, equipment, motor vehicles, office furniture, fixtures or other personal property involving expenditures in excess of $50,000 per annum;

(xxiii) any Contract pursuant to which the Company or any Subsidiary has acquired a business or entity, or assets of a business or entity, whether by way of merger, consolidation, purchase of stock, purchase of assets, license or otherwise, or any Contract pursuant to which it has any material ownership interest in any other Person; and

(xxiv) any Contract with any Governmental Entity, any Company Authorization, or any Contract with a government prime contractor, or higher-tier government subcontractor, including any indefinite delivery/indefinite quantity contract, firm-fixed-price contract, schedule contract, blanket purchase agreement, or task or delivery order (each a "***Government Contract***").

(b) All Material Contracts are in written form. The Company and each Subsidiary have performed all of the obligations required to be performed by them and are entitled to all benefits under, and is not alleged to be in default in respect of, any Material Contract. Each of the Material Contracts is in full force and effect, subject only to the effect, if any, of applicable bankruptcy and other similar Applicable Law affecting the rights of creditors generally and rules of law governing specific performance, injunctive relief and other equitable remedies. There exists no default or event of default or event, occurrence, condition or act, with respect to the Company or any Subsidiary or to the knowledge of the Company, with respect to any other contracting party, that, with the giving of notice, the lapse of time or the happening of any other event or condition, would reasonably be expected to (i) become a default or event of default under any Material Contract, except for such defaults that are not material under the terms of such Material Contract, or (ii) give any third party (A) the right to declare a default or exercise any remedy under any Material Contract, (B) the right to a rebate, chargeback, refund, credit, penalty or change in delivery schedule under any Material Contract, (C) the right to accelerate the maturity or performance of any obligation of the Company or any Subsidiary under any Material Contract, or (D) the right to cancel, terminate or modify any Material Contract. Neither the Company nor any Subsidiary has received any written notice or other communication regarding any actual or possible violation or breach of, default under, or intention to cancel or modify any Material Contract. Neither the Company and nor any Subsidiary has any Liability for renegotiation of Government Contracts. True, correct and complete copies of all Material Contracts have been provided to Buyer at least three Business Days prior to the Agreement Date.

2.17 Anti-Corruption Law.

(a) Neither the Company nor any Subsidiary or any of their managers, employees, agents or representatives (in each case, acting in their capacities as such) has, since the inception of the Company, directly or indirectly through its representatives or any Person authorized to act on its behalf (including any distributor, agent, sales intermediary or other third party), (i) violated any Anti-Corruption Law or (ii) offered, given, promised to give or authorized the giving of money or anything of value, to any

Government Official or to any other Person: (A) for the purpose of (I) corruptly or improperly influencing any act or decision of any Government Official in their official capacity, (II) inducing any Government Official to do or omit to do any act in violation of their lawful duties, (III) securing any improper advantage or (IV) inducing any Government Official to use his or her respective influence with a Governmental Entity to affect any act or decision of such Governmental Entity in order to, in each case of clauses (I) through (IV), assist the Company or any Subsidiary in obtaining or retaining business for or with, or directing business to, any Person or (B) in a manner that would constitute or have the purpose or effect of public or commercial bribery, acceptance of, or acquiescence in, extortion, kickbacks or other unlawful or improper means of obtaining business or any improper advantage.

(b) The Company and each Subsidiary (i) has maintained complete and accurate books and records, including records of payments to any agents, consultants, representatives, third parties and Government Officials, in accordance with GAAP, (ii) there have been no false or fictitious entries made in the books and records of the Company and each Subsidiary relating to any unlawful offer, payment, promise to pay or authorization of the payment of any money, or unlawful offer, gift, promise to give, or authorization of the giving of anything of value, including any bribe, kickback or other illegal or improper payment and (iii) neither the Company nor any Subsidiary has established or maintained a secret or unrecorded fund or account.

(c) Neither the Company nor any Subsidiary or any of their managers or employees (acting in their capacities as such) has been convicted of violating any Anti-Corruption Law or subjected to any investigation or proceeding by a Governmental Entity for potential corruption, fraud or violation of any Anti-Corruption Law.

2.18 Environmental, Health and Safety Matters.

(a) The Company and each Subsidiary is in compliance in all material respects with all Environmental, Health and Safety Requirements in connection with the ownership, use, maintenance or operation of its business or assets or properties. There are no pending, or to the knowledge of the Company, any threatened allegations by any Person that the properties or assets of the Company or any Subsidiary are not, or that its business has not been conducted, in compliance with all Environmental, Health and Safety Requirements. Neither the Company nor any Subsidiary has retained or assumed any Liability of any other Person under any Environmental, Health and Safety Requirements. To the knowledge of the Company, there are no past or present facts, circumstances or conditions that would reasonably be expected to give rise to any Liability of the Company or any Subsidiary with respect to Environmental, Health and Safety Requirements.

2.19 Export Control Laws. The Company and each Subsidiary has in all material respects conducted its export transactions in accordance with applicable provisions of United States export and re-export controls, including the Export Administration Act and Regulations, the Foreign Assets Control Regulations, the International Traffic in Arms Regulations and other controls administered by the United States Department of Commerce and/or the United States Department of State and all other applicable import/export controls in other countries in which the Company or any Subsidiary conducts business. Without limiting the foregoing: (i) the Company and each Subsidiary has obtained all material export and import licenses, license exceptions and other consents, notices, waivers, approvals, orders, authorizations, registrations, declarations and filings with any Governmental Entity required for (A) the export, import and re-export of products, services, software and technologies and (B) releases of technologies and software to foreign nationals located in the United States and abroad (collectively, "***Export Approvals***"), (ii) the Company and each Subsidiary is in material compliance with the terms of all applicable Export Approvals, (iii) there

are no pending or, to the knowledge of the Company, threatened claims against the Company or any Subsidiary with respect to such Export Approvals, (iv) to the knowledge of the Company, there are no actions, conditions or presently existing circumstances pertaining to the Company's or any Subsidiary's export transactions that would constitute a reasonable basis for any future claims and (v) no Export Approvals for the transfer of export licenses to Buyer are required, except for such Export Approvals that can be obtained expeditiously and without material cost.

2.20 Customers. Neither the Company nor any Subsidiary has any outstanding material disputes concerning any Company Products with any customer or distributor who, for the year ended December 31, 2016 or the five months ended May 31, 2017, was one of the 35 largest sources of revenues for the Company, based on amounts paid or payable with respect to such periods (each, a "***Significant Customer***"), and the Company has not received notice of any material dissatisfaction on the part of any Significant Customer with respect to any Company Products. Each Significant Customer is listed on Schedule 2.20 of the Company Disclosure Letter. As of the date hereof, neither the Company nor any Subsidiary has received any notice from any Significant Customer that such Significant Customer shall not continue as a customer of the Company or any Subsidiary after the Closing or that such Significant Customer intends to terminate or materially modify existing Contracts with the Company or any Subsidiary. Neither the Company nor any Subsidiary has had any Company Products returned by a purchaser thereof except for customary warranty returns consistent with past history that would not result in a reversal of any revenue by the Company or any Subsidiary.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Buyer as follows:

3.1 Organization and Standing. Seller is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of organization. Seller is not in violation of any of the provisions of its articles or certificate of incorporation or certificate of formation, as applicable, or bylaws, operating agreement or equivalent organizational or governing documents.

3.2 Authority; Non-contravention.

(a) Seller has all requisite corporate power and authority to enter into this Agreement, the Transaction Documents and to consummate the Transactions. The execution and delivery of this Agreement and the consummation of the Transactions have been duly authorized by all necessary corporate action on the part of Seller. This Agreement has been duly executed and delivered by Seller and, assuming the due execution and delivery of this Agreement by the other parties hereto, constitutes the valid and binding obligation of Seller enforceable against Seller, respectively, in accordance with its terms, subject only to the effect, if any, of (i) applicable bankruptcy and other similar Applicable Law affecting the rights of creditors generally and (ii) rules of law governing specific performance, injunctive relief and other equitable remedies.

(b) The execution and delivery of this Agreement and the Transaction Documents by Seller does not, and the consummation of the Transactions will not, conflict with, or result in any violation of, or default under (with or without notice or lapse of time, or both), or give rise to a right of termination, cancellation or acceleration of any obligation or loss of a benefit under, or require any consent, approval or waiver from any Person pursuant to, (i) any provision of the articles or certificate of incorporation, as applicable, or bylaws or other equivalent organizational or governing documents of Seller, in each case as

amended to date, and each in full force and effect on the date hereof or (ii) Applicable Law, except where such conflict, violation, default, termination, cancellation or acceleration, individually or in the aggregate, would not be material to Seller's ability to consummate the Transactions and perform its obligations under this Agreement.

(c) Except for such filings and notifications as may be required to be made by Seller in connection with the Transactions under the HSR Act or other applicable Antitrust Laws and the expiration or early termination of the applicable waiting period under the HSR Act or other applicable Antitrust Laws and except as required by applicable federal and state securities laws and the rules of NYSE, no consent, approval, order or authorization of, or registration, declaration or filing with, any Governmental Entity or any other Person is required by or with respect to Seller in connection with the execution and delivery of this Agreement or the consummation of the Transactions that, if not obtained or made, would reasonably be expected to adversely affect the ability of Seller to consummate the Transactions.

3.3 Litigation. As of the date hereof, there is no Legal Proceeding pending, or to the knowledge of Seller, threatened against Seller or its Subsidiaries that in any manner challenges or would otherwise reasonably be expected to prevent, enjoin, alter or materially delay the Transactions.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represent and warrant to Seller and the Company as follows:

4.1 Organization and Standing. Each of Buyer is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of organization. Buyer is not in violation of any of the provisions of its articles or certificate of incorporation or certificate of formation, as applicable, or bylaws, operating agreement or equivalent organizational or governing documents.

4.2 Authority; Non-contravention.

(a) Buyer has all requisite corporate power and authority to enter into this Agreement and to consummate the transactions contemplated thereby. The execution and delivery of this Agreement, the Transaction Documents and the consummation of the transactions contemplated thereby have been duly authorized by all necessary corporate action on the part of Buyer. This Agreement has been duly executed and delivered by Buyer and, assuming the due execution and delivery of this Agreement by the other parties hereto, constitutes the valid and binding obligation of Buyer enforceable against Buyer in accordance with its terms, subject only to the effect, if any, of (i) applicable bankruptcy and other similar Applicable Law affecting the rights of creditors generally and (ii) rules of law governing specific performance, injunctive relief and other equitable remedies.

(b) The execution and delivery of this Agreement and the Transaction Documents by Buyer does not, and the consummation of the transactions contemplated thereby will not, conflict with, or result in any violation of, or default under (with or without notice or lapse of time, or both), or give rise to a right of termination, cancellation or acceleration of any obligation or loss of a benefit under, or require any consent, approval or waiver from any Person pursuant to, (i) any provision of the articles or certificate of incorporation, as applicable, or bylaws or other equivalent organizational or governing documents of Buyer, in each case as amended to date, and each in full force and effect on the date hereof or (ii) Applicable Law, except where such conflict, violation, default, termination, cancellation or acceleration, individually or in

the aggregate, would not be material to Buyer's ability to consummate the Transactions and perform their respective obligations under this Agreement.

(c) Except for such filings and notifications as may be required to be made by Buyer in connection with the Transactions under the HSR Act or other applicable Antitrust Laws and the expiration or early termination of the applicable waiting period under the HSR Act or other applicable Antitrust Laws and except as required by applicable federal and state securities laws and the rules of NYSE, no consent, approval, order or authorization of, or registration, declaration or filing with, any Governmental Entity or any other Person is required by or with respect to Buyer in connection with the execution and delivery of this Agreement or the consummation of the Transactions that, if not obtained or made, would reasonably be expected to adversely affect the ability of Buyer to consummate the Transactions.

4.3 Financing Commitment. Attached hereto as Exhibit C-1 is a true, correct and complete copy of an executed secured debt financing proposal letter, dated June 1, 2017, together with all exhibits and schedules and all amendments, supplements and modifications thereto (collectively, the "***Debt Financing Proposal Letter***"), pursuant to which the lender has agreed to arrange, subject to (and only to) the terms and conditions set forth therein, for the commitment of certain lenders to lend the amounts set forth therein for, among other things, the purposes of financing the Transactions to the extent set forth therein (the "***Debt Financing***"). Attached hereto as Exhibit C-2 through C-8 are true, correct and complete copies of the equity commitment letter, each dated as of June 6, 2017 between Buyer and each proposed equity investor (together, the "***Equity Financing Commitment***" and, together with the Debt Financing Proposal Letter, the "***Financing Commitments***"), pursuant to which the investor party thereto has committed, subject to (and only to) the terms and conditions set forth therein, to invest the amount set forth therein to purchase equity interests of Buyer (the "***Equity Financing***" and together with the Debt Financing, the "***Financing***").

4.4 Litigation. As of the date hereof, there is no Legal Proceeding pending, or to the knowledge of Buyer, threatened against Buyer or its respective subsidiaries that in any manner challenges or would otherwise reasonably be expected to prevent, enjoin, alter or materially delay the Transactions.

4.5 Financial Statements and Related Information .

(a) Buyer has made available to Parent the following financial statements and notes (collectively, the "***Buyer Financial Statements***"): (i) the audited balance sheet of Buyer as of December 31, 2015 and December 31, 2016, and the related audited statement of income, statement of stockholders' equity and statement of cash flows for the years then ended, together with the notes thereto; and (ii) the unaudited balance sheet of Buyer as of April 30, 2017 (the "***Buyer Unaudited Interim Balance Sheet***"), and the related unaudited statement of income, statement of stockholders' equity and statement of cash flows for the four–months then ended.

(b) The Buyer Financial Statements present fairly the financial position of Buyer as of the respective dates thereof and the results of operations and cash flows of Buyer for the periods covered thereby. The Buyer Financial Statements have been prepared in accordance with GAAP applied on a consistent basis throughout the periods covered.

(c) The books, records and accounts of Buyer accurately and fairly reflect, in reasonable detail, the transactions in and dispositions of the assets of Buyer. Buyer has taken and currently takes all actions necessary to provide reasonable assurance that: (i) transactions are executed in accordance with management's general or specific authorization; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain accountability for assets; and (iii) access to assets is permitted only in accordance with management's general or specific authorization.

ARTICLE V
CONDUCT PRIOR TO THE CLOSING

5.1 Conduct of the Business; Notices. During the period from the Agreement Date and continuing until the earlier of the termination of this Agreement and Closing, Seller shall cause the Company and each Subsidiary to:

(a) conduct the Business in the ordinary course consistent with past practice (except to the extent expressly provided otherwise herein or as consented to in writing by Buyer) and in compliance with Applicable Law;

(b) (i) pay and perform all of its undisputed debts and other obligations (including Taxes, except for Taxes that are the subject of a voluntary disclosure request, that are otherwise being contested in good faith by appropriate proceedings or for which reserves have been established in accordance with GAAP) when due, (ii) use commercially reasonable efforts consistent with past practice and policies to collect accounts receivable when due and not extend credit outside of the ordinary course of business consistent with past practice, (iii) sell the Company's products and services consistent with past practice as to discounting, license, service and maintenance terms, incentive programs and revenue recognition and other terms and (iv) use its commercially reasonable efforts consistent with past practice and policies to preserve intact its present business organizations, keep available the services of its present officers and key employees and preserve its relationships with customers, suppliers, distributors, licensors, licensees, and others having business dealings with it, to the end that its goodwill and ongoing businesses shall be unimpaired at the Closing;

(c) assure that each of its Contracts (other than with Buyer) entered into after the Agreement Date will not require the procurement of any consent, waiver or novation or provide for any change in the obligations of any party thereto in connection with, or terminate as a result of the consummation of, the Transactions, and shall give reasonable advance notice to Buyer prior to allowing any Material Contract or right thereunder to lapse or terminate by its terms;

(d) maintain each of its leased premises in accordance with the terms of the applicable lease;

(e) promptly notify Buyer of any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the Transactions;

(f) promptly notify Buyer of any notice or other communication from any Governmental Entity (i) relating to the Transactions, (ii) indicating that a Company Authorization has been or is about to be revoked or (iii) indicating that a Company Authorization is required in any jurisdiction in which such Company Authorization has not been obtained, which revocation or failure to obtain has had or would reasonably be expected to be material to Buyer (following the Closing) or the Company;

(g) promptly notify Buyer of any inaccuracy in or breach of any representation, warranty or covenant of the Company herein; and

(h) to the extent not otherwise required by this Section 5.1, promptly notify Buyer of any change, occurrence or event not in the ordinary course of business, or of any change, occurrence or event that, individually or in the aggregate with any other changes, occurrences and events, would reasonably be expected to be materially adverse to the Company or cause any of the conditions to the Closing set forth in Article VII not to be satisfied.

5.2 Restrictions on Conduct of the Business. Without limiting the generality or effect of the Section 5.1, except as expressly set forth on Schedule 5.2 of the Company Disclosure Letter, during the period from the Agreement Date and continuing until the earlier of the termination of this Agreement and the Closing, the Company shall not do, cause or permit (and the Seller shall cause the Company and any Subsidiary not to do) any of the following (except to the extent expressly provided otherwise herein or as consented to in writing by Buyer, which consent shall not be unreasonably withheld or delayed):

(a) Charter Documents. Cause, propose or permit any amendments to (i) the Operating Agreement or equivalent organizational or governing documents or (ii) the organizational or governing documents of any Subsidiary;

(b) Merger, Reorganization. Merge, amalgamate or consolidate itself with any other Person or adopt a plan of complete or partial liquidation, dissolution, consolidation, restructuring, recapitalization or other reorganization;

(c) Dividends; Changes in Capitalization. Split, combine or reclassify any of its Equity Interests or issue or authorize the issuance of any Equity Interests or other securities in respect of, in lieu of or in substitution for its Equity Interests, or repurchase or otherwise acquire, directly or indirectly, any of its Equity Interests;

(d) Material Contracts. Enter into, amend or materially modify any (A) Contract that would (if entered into, amended or modified prior to the Agreement Date) constitute a Material Contract, (B) other material Contract or (C) Contract requiring a novation or consent in connection with the Transactions; provided that this Section 5.2(d) shall not require the Company to seek or obtain Buyer's consent in order to enter into, in the ordinary course of business consistent with past practice, a Material Contract that would (if entered into, amended or modified prior to the Agreement Date) have been required to be disclosed under Schedule 2.16(a)(i) of the Company Disclosure Letter;

(e) Issuance of Equity Interests. Issue, deliver, grant or sell or authorize or propose the issuance, delivery, grant or sale of, or purchase or propose the purchase of, any Equity Interests, or enter into or authorize or propose to enter into any Contracts of any character obligating it to issue any Equity Interests;

(f) Employees; Consultants; Independent Contractors. (i) Hire, or offer to hire, any additional officers or other employees, or any consultants or independent contractors, (ii) terminate the employment, change the title, office or position, or materially reduce the responsibilities of any officer or senior-level employee of the Company or any Subsidiary, (iii) enter into, amend or extend the term of any employment or consulting agreement with any officer, employee, consultant or independent contractor, (iv) enter into any Contract with a labor union or collective bargaining agreement (unless required by Applicable Law) or (v) add any new managers;

(g) Loans and Investments. Make any loans or advances (other than routine expense advances to employees of the Company consistent with past practice) to, or any investments in or capital contributions to, any Person, or forgive or discharge in whole or in part any outstanding loans or advances, or prepay any indebtedness for borrowed money;

(h) Intellectual Property. Except as contemplated by this Agreement or the Transaction Documents, transfer or license from any Person any rights to any Intellectual Property, or transfer or license to any Person any rights to any Company Intellectual Property, other than as related to sales and nonexclusive licenses of Company Products or Third-Party Intellectual Property in the ordinary course of business

consistent with past practice, or transfer or provide a copy of any Company Source Code to any Person (including any current or former employee or consultant of the Company or any contractor or commercial partner of the Company) (other than providing access to Company Source Code to current employees and consultants of the Company involved in the development of the Company Products on a need to know basis in the ordinary course of business consistent with past practice);

(i) Patents. Take any action regarding a patent, patent application or other Intellectual Property right, other than filing continuations for existing patent applications or completing or renewing registrations of existing patents, domain names, trademarks or service marks in the ordinary course of business consistent with past practice;

(j) Dispositions. Sell, lease, license or otherwise dispose or permit to lapse of any of its tangible or intangible assets, other than sales and nonexclusive licenses of Company Products in the ordinary course of business consistent with past practice, or enter into any Contract with respect to the foregoing;

(k) Indebtedness. Incur any indebtedness for borrowed money or guarantee any such indebtedness;

(l) Payment of Obligations. Pay, discharge or satisfy (i) any Liability to any Person who is an officer, director or stockholder of the Company (other than compensation due for services as an officer or director) or (ii) any claim or Liability arising other than in the ordinary course of business consistent with past practice, other than the payment, discharge or satisfaction of Liabilities reflected or reserved against in the Financial Statements, or defer payment of any accounts payable other than in the ordinary course of business consistent with past practice, or give any discount, accommodation or other concession other than in the ordinary course of business consistent with past practice, in order to accelerate or induce the collection of any receivable;

(m) Insurance. Materially change the amount of, or terminate, any insurance coverage;

(n) Termination or Waiver. Cancel, release or waive any claims or rights held by the Company or any Subsidiary;

(o) Employee Benefit Plans; Pay Increases. (i) Adopt or amend any employee or compensation benefit plan, including any stock issuance or stock option plan, or amend any compensation, benefit, entitlement, grant or award provided or made under any such plan, except (A) in each case as required under ERISA, Applicable Law or as necessary to maintain the qualified status of such plan under the Code or the registered status of such plan under the *Income Tax Act* (Canada), and (B) that Seller may accelerate the vesting of options to purchase Seller common stock held by Company Employees as of the date of this Agreement, (ii) amend any deferred compensation plan within the meaning of Section 409A of the Code and the regulations thereunder, except to the extent necessary to meet the requirements of such Section or Notice, (iii) pay any special bonus or special remuneration to any employee or non-employee director or consultant or (iv) increase the salaries, wage rates or fees of its employees or consultants (other than as disclosed to Buyer and are set forth on Schedule 5.2(o) of the Company Disclosure Letter);

(p) Severance Arrangements. Except as contemplated by this Agreement, grant or pay, or enter into any Contract providing for the granting of any severance, retention or termination pay, or other benefits, to any Person;

(q) Lawsuits; Settlements. (i) Commence a lawsuit other than (A) for the routine collection of bills, (B) in such cases where the Company in good faith determines that failure to commence suit would result in the material impairment of a valuable aspect of its business (provided that the Company consults with Buyer prior to the filing of such a suit) or (C) for a breach of this Agreement or (ii) settle or agree to settle any pending or threatened lawsuit or other dispute except for routine, immaterial matters in the ordinary course of business;

(r) Acquisitions. Acquire or agree to acquire by merging, amalgamating or consolidating with, or by purchasing a substantial portion of the assets of, or by any other manner, any business or any corporation, partnership, association or other business organization or division thereof, or otherwise acquire or agree to acquire any assets that are material, individually or in the aggregate, to the Company or the Business, or enter into any Contract with respect to a joint venture, strategic alliance or partnership;

(s) Taxes. Make or change any election in respect of Taxes, adopt or change any accounting method in respect of Taxes, file any federal, state, or foreign income Tax Return or any other material Tax Return without the consent of Buyer prior to filing, file any amendment to a federal, state, or foreign income Tax Return or any other material Tax Return, enter into any Tax sharing or similar agreement or closing agreement, assume any Liability for the Taxes of any other Person (whether by Contract or otherwise), settle any claim or assessment in respect of Taxes, consent to any extension or waiver of the limitation period applicable to any claim or assessment in respect of Taxes, enter into intercompany transactions giving rise to deferred gain or loss of any kind or take any other similar action relating to the filing of any Tax Return or the payment of any Tax if such similar action would have the effect of increasing the Tax liability of Buyer or its Affiliates for any period ending after the Closing Date or decreasing any Tax attribute of the Company or any Subsidiary existing on the Closing Date;

(t) Accounting. Change accounting methods or practices (including any change in depreciation or amortization policies) or revalue any of its assets (including writing down the value of inventory or writing off notes or the sale of any accounts receivable otherwise than in the ordinary course of business), except in each case as required by changes in GAAP as concurred with its independent accountants and after notice to Buyer;

(u) Real Property. Enter into any agreement for the purchase, sale or lease of any real property;

(v) Encumbrances. Place or allow the creation of any Encumbrance (other than a Permitted Encumbrance) on any of its properties;

(w) Interested Party Transactions. Except as contemplated by the Agreement, enter into any Contract that, if entered prior to the Agreement Date, would be required to be listed on Schedule 2.13 of the Company Disclosure Letter;

(x) Subsidiaries. Take any action that would result in the Company or any Subsidiary forming or having a new Subsidiary;

(y) Capital Expenditures. Make any capital expenditures, capital additions or capital improvements in excess of $25,000 individually or $100,000 in the aggregate; and

(z) Other. Take or agree in writing or otherwise to take, any of the actions described in clauses (a) through (y) in this Section 5.2.

5.3 Certain Limitations. Notwithstanding anything to the contrary in this Article V, Buyer and the Company acknowledge and agree that (a) nothing in this Agreement shall give Buyer, directly or indirectly, the right to control or direct the Company's operations for purposes of the HSR Act prior to the expiration or termination of any applicable waiting period pursuant to the HSR Act and (b) no consent of Buyer shall be required with respect to any matter set forth in this Agreement to the extent the requirement of such consent would violate any Applicable Law.

ARTICLE VI
ADDITIONAL AGREEMENTS

6.1 No Solicitation.

(a) During the period from the Agreement Date and continuing until the earlier of the termination of this Agreement and the Closing, Seller will not, and Seller will not authorize or permit the Company or any of its or the Company's Representatives or any Subsidiary to, directly or indirectly, (i) solicit, initiate, seek, entertain, knowingly encourage, facilitate, support or induce the making, submission or announcement of any inquiry, expression of interest, proposal or offer that constitutes, or could 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 could reasonably be expected to lead to, an Acquisition Proposal, (iii) agree to, accept, approve, endorse or recommend (or publicly propose or announce any intention or desire to 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 Company securityholder. The Company will, and will cause its Representatives and each Subsidiary to, (A) immediately cease and cause to be terminated any and all existing activities, discussions or negotiations with any Persons conducted prior to or on the Agreement Date with respect to any Acquisition Proposal and (B) immediately revoke or withdraw access of any Person (other than Buyer and its Representatives) to any data room (virtual or actual) containing any non-public information with respect to the Company in connection with an Acquisition Proposal and request from each Person (other than Buyer and its Representatives) the prompt return or destruction of all non-public information with respect to the Company previously provided to such Person in connection with an Acquisition Proposal. If any of the Company's Representatives, whether in his, her or its capacity as such or in any other capacity, takes any action that the Company is obligated pursuant to this Section 6.1 not to authorize or permit such Representative to take, then the Company shall be deemed for all purposes of this Agreement to have breached this Section 6.1.

(b) Seller shall immediately (but in any event, within 24 hours) notify Buyer orally and in writing after receipt by Seller or the Company (or, to the knowledge of Seller, by any of the Seller's or the Company's Representatives), of (i) any Acquisition Proposal, (ii) any inquiry, expression of interest, proposal or offer that constitutes, or 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 considering making or that has made an Acquisition Proposal other than Buyer and its Representatives. Such notice shall describe (A) the material terms and conditions of such Acquisition Proposal, inquiry, expression of interest, proposal, offer, notice or request and (B) the identity of the Person or Group making any such Acquisition Proposal, inquiry, expression of interest, proposal, offer,

notice or request. Seller shall keep Buyer informed on a reasonably current basis 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 Buyer 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. Seller shall provide Buyer with 48 hours prior notice (or such lesser prior notice as is provided to the members of the Seller's Board of Directors) of any meeting of the Seller's Board of Directors at which the Seller's Board of Directors is reasonably expected to discuss any Acquisition Proposal.

(c) The Company and Seller agree to consent to the assignment to Buyer of the Pandora Media, Inc. Non-Competition Agreements with Andrew Dreskin and Tom Ewald, respectively, dated October 7, 2015 (the "Non-Competition Agreements") from each of Andrew Dreskin and Tom Ewald.

6.2 Confidentiality; Public Disclosure.

(a) The parties hereto acknowledge that Buyer and Seller have previously executed a non-disclosure agreement, dated as of March 7, 2016 (the "***Confidentiality Agreement***"), which shall continue in full force and effect in accordance with its terms. Each party hereto agrees that it and its Representatives shall hold the terms of this Agreement, and the fact of this Agreement's existence, in strict confidence. At no time shall any party hereto disclose any of the terms of this Agreement (including the economic terms) or any non-public information about a party hereto to any other Person without the prior written consent of the party hereto about which such non-public information relates. Notwithstanding anything to the contrary in the foregoing, a party hereto shall be permitted to disclose any and all terms to its financial, tax and legal advisors (each of whom is subject to a similar obligation of confidentiality), and to any Governmental Entity or administrative agency to the extent necessary or advisable in compliance with Applicable Law and the rules of NYSE.

(b) Neither Buyer nor Seller shall issue any press release or other public communications relating to the terms of this Agreement or the Transactions in any media interview, advertisement, news release, press release or professional or trade publication, or in any print media, whether or not in response to an inquiry, without the prior written approval of the other party, unless required by Applicable Law (in which event a satisfactory opinion of counsel to that effect shall be first delivered to the other party prior to any such disclosure). Notwithstanding anything to the contrary contained herein or in the Confidentiality Agreement, Seller may make such public communications regarding this Agreement or the Transactions as Seller may determine is reasonably appropriate.

6.3 Reasonable Best Efforts; Regulatory Approvals.

(a) Each of the parties hereto agrees to use its reasonable best efforts, and to cooperate with each other party hereto, to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, appropriate or desirable to consummate and make effective, in the most expeditious manner practicable, the Transactions, including the satisfaction of the respective conditions set forth in Article VII, and including to execute and deliver such other instruments and do and perform such other acts and things as may be necessary or reasonably desirable for effecting completely the consummation of the Transactions.

(b) Buyer and Seller shall execute and file, or join in the execution and filing of, any application, notification (including the provision of any required information in connection therewith) or other document that may be required (i) as promptly as practicable after the Agreement Date, but in no event later than the 10th Business Day after the date of this Agreement, under the HSR Act or (ii) as promptly as practicable after the Agreement Date under any other foreign Applicable Law designed to prohibit, restrict

or regulate actions having the purpose or effect of monopolization or restraint of trade (collectively, the "***Antitrust Laws***") in order to obtain the authorization, approval or consent of any Governmental Entity, or expiration or termination of the applicable waiting periods under such Antitrust Laws, that may be reasonably required, or that Buyer may reasonably request to be made, in connection with the consummation of the Transactions. Buyer and Seller shall each use their respective reasonable best efforts to obtain, and to cooperate with each other to obtain promptly, all such authorizations, approvals, consents, expirations and terminations.

(c) Notwithstanding anything to the contrary contained herein, it is expressly understood and agreed that Buyer shall not have any obligation: (i) to litigate or contest any Legal Proceeding challenging any of the Transactions as violative of any Antitrust Law; or (ii) to proffer, make proposals, negotiate, execute, carry out or submit to agreements or Orders providing for the (A) sale, transfer, license, divestiture, encumbrance or other disposition or holding separate (through the establishment of a trust or otherwise) of any assets, categories of assets, operations or categories of operations of Buyer or any of its Affiliates or of the Company, or (B) imposition of any limitation or regulation on the ability of Buyer or any of its Affiliates to freely conduct their business or own their respective assets, in the case of (A) and (B), that, in the aggregate, would have, or would be reasonably likely to have, an impact of more than $20,000,000 on the aggregate annual revenues of Buyer, the Company and TCSI, taken as a whole after giving effect to the purchase of the Membership Interests of the Company by Buyer pursuant to this Agreement.

(d) Each of Buyer and Seller shall promptly inform the other of any material communication between such party and any Governmental Entity regarding any of the Transactions. If Buyer or any Affiliate of Buyer receives any formal or informal request for supplemental information or documentary material from any Governmental Entity with respect to any of the Transactions, then Buyer shall make or cause to be made, as soon as reasonably practicable, a response in compliance with such request. If Seller or any Affiliate of Seller receives any formal or informal request for supplemental information or documentary material from any Governmental Entity with respect to any of the Transactions, then Seller shall make or cause to be made, a response in compliance with such request. Each party hereto will consult and cooperate with the other parties and will consider in good faith the views of the other parties in connection with any filing, analysis, appearance, presentation, memorandum, brief, argument, opinion or proposal made or submitted in connection with the Transactions. Notwithstanding the preceding sentence, Buyer will have ultimate control over the strategy for facilitating the expiration or termination of the HSR Act waiting period and otherwise obtaining all applicable merger control clearances under the HSR Act or any other applicable Antitrust Laws. In addition, except as may be prohibited by any Governmental Entity or by any Applicable Law, in connection with any such request, inquiry, investigation, action or legal proceeding, outside counsel to each party hereto will consult the other party in advance, if at all practicable, and, to the extent practicable, permit authorized Representatives of the other parties to be present at each meeting or conference relating to such request, inquiry, investigation, action or legal proceeding. Buyer and Seller will, if at all practicable, and to have access to and be consulted in connection with any document, opinion or proposal made or submitted to any Governmental Entity in connection with such request, inquiry, investigation, action or legal proceeding, and will supply each other with copies of all correspondence, filings or communications with governmental antitrust authorities, with respect to the Transactions; provided that to the extent any of the documents or information are commercially or competitively sensitive, Buyer or Seller, as the case may be, may satisfy its obligations by providing such documents or information to the other party's outside antitrust counsel, with the understanding that such antitrust counsel shall not share such documents and information with its client (although such antitrust counsel may use such documents and information in advocating on behalf of its client with any governmental antitrust authority).

6.4 Third-Party Consents; Notices.

(a) Seller and the Company shall use reasonable efforts to obtain prior to the Closing, and deliver to Buyer at or prior to the Closing, all consents, waivers and approvals under each Contract listed or described on Schedule 2.3(b)(ii)(B) of the Company Disclosure Letter (and any Contract entered into after the Agreement Date that would have been required to be listed or described on Schedule 2.3(b)(ii)(B) of the Company Disclosure Letter if entered into prior to the Agreement Date).

(b) Seller shall give all notices and other information required to be given to the employees of the Company, any collective bargaining unit representing any group of employees of the Company, and any applicable government authority under the WARN Act, the National Labor Relations Act, as amended, the Code, COBRA and other Applicable Law in connection with the Transactions.

6.5 Litigation. Seller shall (i) notify Buyer in writing promptly after learning of any Legal Proceeding initiated by or against the Company or any Subsidiary, or known by Seller to be threatened against the Company or any Subsidiary (a "***New Litigation Claim***"), (ii) notify Buyer of ongoing material developments in any New Litigation Claim and (iii) consult in good faith with Buyer regarding the conduct of the defense of any New Litigation Claim.

6.6 Access to Information.

(a) Subject to compliance with Applicable Law, during the period from the Agreement Date and continuing until the earlier of the termination of this Agreement and the Closing, (i) Seller shall afford Buyer and its Representatives reasonable access during business hours to (A) the Company's and each Subsidiary's properties, personnel, books, Contracts and records and (B) all other information concerning the business, properties and personnel of the Company and each Subsidiary as Buyer may reasonably request and (ii) Seller shall provide to Buyer and its Representatives true, correct and complete copies of the Company's and each Subsidiary's (A) internal financial statements, and (B) to the extent within the Company's or TCSI's possession, Tax Returns, Tax elections and all other records and workpapers relating to Taxes. For the avoidance of doubt, nothing in this paragraph shall be construed to require Seller to make available its income Tax Returns (or any other information relating to its Taxes that it deems confidential) for the affiliated or consolidated group the parent of which is the Seller to Buyer or any other Person, but Seller shall be required to provide any available pro forma income Tax Returns of the Company or any Subsidiary with respect to such affiliated or consolidated group.

(b) Subject to compliance with Applicable Law, from the Agreement Date until the earlier of the termination of this Agreement and the Closing, Seller shall confer from time to time as reasonably requested by Buyer with one or more Representatives of Buyer to discuss any material changes or developments in the operational matters of Seller and the general status of the ongoing operations of Seller.

(c) No information or knowledge obtained by Buyer during the pendency of the Transactions in any investigation pursuant to this Section 6.6 shall affect or be deemed to modify any representation, warranty, covenant, agreement, obligation or condition set forth herein.

(d) Within five Business Days following the Agreement Date, Seller shall deliver to Buyer one or more DVDs or other digital media evidencing the documents that were made available, which shall indicate, for each document, the date that such document was first uploaded to the data room.

6.7 Expenses; Company Debt. Whether or not the Transaction is consummated, except as otherwise set forth herein, all costs and expenses incurred in connection with this Agreement and the Transactions shall be paid by the party incurring such expense; provided that the fees and expenses of the

Reviewing Accountant, if any, shall be allocated as provided in Section 1.4(g). Prior to Closing, Seller shall repay or cause to be repaid all Company Debt.

6.8 Certain Closing Certificates and Documents. The Company shall prepare and deliver to Buyer a draft of each of the Company Closing Net Working Capital Certificate not later than five Business Days prior to the Closing Date and a final version of the Company Closing Net Working Capital Certificate to Buyer not later than three Business Days prior to the Closing Date. In the event that Buyer notifies the Company that there are reasonably apparent errors in the drafts of the Company Closing Net Working Capital Certificate, Buyer and the Company shall discuss such errors in good faith and the Company shall correct such errors prior to delivering the final versions of the same in accordance with this Section 6.8. Without limiting the foregoing or Section 6.6, the Company shall provide to Buyer, together with the Company Closing Net Working Capital Certificate, such supporting documentation, information and calculations as are reasonably necessary for Buyer to verify and determine the calculations, amounts and other matters set forth in the Company Closing Net Working Capital Certificate.

6.9 Manager's and Officers' Indemnification and Insurance.

(a) All rights to indemnification and exculpation (including the advancement of expenses) from liabilities for acts or omissions occurring at or prior to the Closing (including with respect to the Transactions) existing as of the date hereof in favor of the current or former manager, directors, officers and employees of the Company or any Subsidiary of the Company, as provided in the Operating Agreement or their respective certificate of incorporation and bylaws (or similar organizational documents) or the indemnification agreements of any of the Company or any Subsidiary of the Company listed on Schedule 6.9 of the Company Disclosure Letter and made available to Buyer prior to the date hereof, and pursuant to Applicable Law, shall survive the Transactions and shall continue in full force and effect without amendment, modification or repeal in accordance with their terms for a period of not less than six years after the Closing; provided that if any claims are asserted or made within such period, all rights to indemnification (and to advancement of expenses) hereunder in respect of any such claims shall continue, without diminution, until disposition of any and all such claims. Notwithstanding the foregoing, the obligations of Buyer, or its respective successors (i) shall be subject to any limitation imposed by Applicable Law and (ii) shall not be deemed to release any Indemnitee hereunder who is also an officer, director or manager of the Company or its Subsidiaries from his or her obligations pursuant to this Agreement or any applicable indemnification agreement. Any repeal or modification of the aforementioned provisions of the Operating Agreement (or the equivalent organizational documents of the Company's Subsidiaries) shall not adversely affect any right or protection of the manager, directors or officers of the Company or any of its Subsidiaries existing as of or prior to the Closing, or increase the liability of any manager, director or officer of the Company or any of its Subsidiaries with respect to acts or omissions of any such manager, director or officer occurring prior to or at the Closing.

(b) The provisions of this Section 6.9 shall survive the consummation of the Transactions and are intended to be for the benefit of, and enforceable by, each party indemnified pursuant to this Section 6.9 (or as otherwise referenced in this Section 6.9) and his or her successors.

(c) Prior to the Closing, Seller shall purchase a prepaid "tail" policy on the current managers' and officers' liability insurance policy of the Company for a period of six years from the Closing and in a form and on terms reasonably acceptable to Buyer with coverage of six years; provided, however, that Seller shall not be required to pay any amount under this Section 6.9(c) in excess of $100,000.

6.10 Tax Matters.

(a) Tax Returns. All Tax Returns of the Company and its Subsidiaries that are required to be filed after the Closing Date for any taxable period (or portion thereof) ending on or prior to the Closing Date (a "***Pre-Closing Tax Period***") will be prepared and filed (or will be caused to be prepared and filed) by Buyer. Buyer shall prepare such Tax Returns in a manner consistent with past practice, except to the extent required by Applicable Law. With respect to any such Tax Returns that are income Tax Returns, Buyer shall provide such Tax Return to the Seller for its review and approval (not to be unreasonably withheld, conditioned or delayed) at least 15 Business Days prior to the due date therefor. Any Tax deductions arising out of the payment of unpaid Transaction expenses or from other costs and expenses incurred by or with respect to the Company or TCSI in connection with the transactions contemplated by this Agreement shall be allocated to the Tax Returns that are filed by or with respect to the Company or TCSI for Taxable periods (or portions thereof) that end on or before the Closing Date (or if applicable, to a prior Taxable period) to the maximum extent permitted by Law. This Section 6.10(a) shall not apply to any Tax Return which constitutes a Voluntary Disclosure Filing.

(b) Tax Contests. Buyer shall notify the Seller in writing upon receipt by Buyer of any written notice from a Governmental Entity of an audit, contest, examination, litigation or other controversy with respect to Taxes of the Company or any of its Subsidiaries which may give rise to a claim for Taxes for which the Seller may have an indemnification obligation (each, a "***Tax Contest***"); provided that any failure by Buyer to so notify the Seller shall not relieve the Seller of its indemnification obligations hereunder unless and to the extent that the Seller is materially and adversely prejudiced thereby. The Seller, at its own expense, shall be permitted to participate in, but not control, any Tax Contest and Buyer shall not settle or otherwise compromise any Tax Contest if such settlement or compromise would result in an indemnification obligation of the Seller without the prior written consent of the Seller, such consent not to be unreasonably withheld, conditioned or delayed. This Section 6.10(b) shall not apply to any Tax Contest which constitutes a Voluntary Disclosure Filing.

(c) Negative Tax Covenant. Subject to Section 6.10(i), Buyer shall not (or shall not cause or permit the Company or TCSI to) make or change any Tax election or amend, refile or otherwise modify (or grant an extension of any statute of limitation with respect to) any Tax Return of the Company or TCSI with respect to any taxable year or period ending on or before the Closing Date or with respect to any Straddle Period or, except as expressly contemplated under this Agreement, take any other action outside the ordinary course of business that would increase any Tax liability or reduce any Tax benefit in respect of any taxable year or period ending on or before the Closing Date or any Straddle Period without the prior written consent of Seller, such consent not to be unreasonably withheld, conditioned or delayed.

(d) Tax Refunds. Seller shall be entitled to, and Buyer shall forward to Seller, any Tax refunds (including any interest paid by a Governmental Entity thereon) or Tax credits for overpayment in lieu thereof of the Company or TCSI attributable to Taxable periods (or portions thereof) ending before the Closing Date that are received by Buyer or its Affiliates (including the Company or TCSI); *provided*, however, that Seller shall not be entitled to any such refunds and/or credits (i) that results from the carryback to a Pre-Closing Tax Period of any Tax attribute of the Buyer, Company or TCSI created in a taxable period (or portion thereof) beginning after the Closing Date or (ii) to the extent such Tax refund is a refund of Taxes which were not actually paid by the Company or TCSI on or prior to the Closing Date or the Seller after the Closing Date. In the event any such refund and/or credit is subsequently disallowed or determined to be an amount less than the amount taken into account to make a payment pursuant to this Section 6.10(d) by a Tax Authority, the Seller shall return upon request of Buyer such excess to Buyer.

(e) Transfer Taxes. All transfer (documentary or otherwise), gains, value added, stamp, recording, registration, filing and conveyance Taxes, and other similar Taxes incurred in connection with

the transactions contemplated by this Agreement (collectively, " ***Transfer Taxes***") shall be borne by 50% by Buyer and 50% by Seller.

(f) Cooperation. Seller and Buyer shall (and shall cause their respective Affiliates to): (i) assist each other in preparing any Tax Returns or Voluntary Disclosure Filings which such other party is responsible for preparing and filing; (ii) timely sign and deliver such certificates or forms as may be reasonably necessary or appropriate to establish any available exemption from (or otherwise reduce), or file Tax Returns or other reports with respect to, Transfer Taxes, (iii) cooperate fully in preparing for any audits of, or disputes with any Tax Authority regarding, any Tax Returns of the Company and TCSI; (iv) make available to the other party and to any Tax Authority as reasonably requested all information, records, and documents relating to Taxes of the Company and TCSI; (v) provide timely notice to the other party in writing of any pending or threatened Tax audits or assessments relating to Taxes of the Company or TCSI for any Taxable period for which the other party is responsible for preparing and filing Tax Returns; and (vi) furnish the other party with copies of all correspondence received from any Tax Authority in connection with any Tax audit or information request with respect to any such Taxable period.

(g) Intent. The parties hereto (and their Affiliates) intend that the Transaction shall be treated as a sale (by Seller) of all of the assets of the Company (to Buyer) for U.S. federal income (and other applicable income) Tax purposes and will report the Transaction consistently therewith, including on all Tax Returns. The parties hereto (and their Affiliates) agree not to take any position inconsistent with such treatment unless required by Applicable Law.

(h) Allocation of Purchase Price. Within 60 days following the Closing, Buyer shall deliver to Seller a schedule (the "***Allocation Schedule***") allocating the Purchase Price (including, for purposes of this Section 6.10(h), any assumed liabilities, other consideration paid to Seller or other relevant items) for the assets of Company among such assets for Seller's review and approval (such approval not to be unreasonably withheld). If Buyer and Seller cannot agree with respect to any disputes with respect to the Allocation Schedule, any such disputes shall be resolved by an accounting firm acceptable to both Seller and Buyer in a manner consistent with the procedures set forth in Section 6.10(i). The Allocation Schedule shall be prepared in accordance with Section 1060 of the Code and the Treasury Regulations thereunder. Buyer and Seller each agrees to file Internal Revenue Service Form 8594, and all federal, state, local and foreign Tax Returns, in accordance with the Allocation Schedule, as such Allocation Schedule has been agreed upon by Buyer and Seller. Buyer and Seller each agrees to provide the other promptly with any other information required to complete Form 8594.

(i) Voluntary Disclosure Agreements. After the Closing Date, the Company and its Subsidiaries shall, at the direction of the Buyer, be permitted to initiate, control and settle or otherwise compromise all voluntary disclosure agreements, initiatives and similar processes, including the filing and/or amendment of any Tax Returns or agreements, for the mitigation of any Liability for sales and use Taxes (and any similar or equivalent Taxes) in all applicable state and local jurisdictions (collectively, the "***Voluntary Disclosure Filings***"). Buyer agrees that it shall use good faith, commercially reasonable efforts to minimize the liability for such Taxes in the preparation, filing, negotiation and settlement of such Voluntary Disclosure Filings. The Seller agrees that it shall not be permitted to contact any venue, customer or former customer of the Company and its Subsidiaries with respect to any sales, use or similar Tax matters, except with the prior written consent of the Buyer. Not less than fifteen (15) Business Days prior to the filing of each Voluntary Disclosure Filing, Buyer shall provide Seller with a draft copy of such Voluntary Disclosure Filing for Seller's review, and Buyer shall consider in good faith any comments to such Voluntary Disclosure Filing provided by Seller prior to filing. If Seller and Buyer do not agree with respect to the amount of Tax liability reflected in any Voluntary Disclosure Filing, and Seller and Buyer cannot mutually agree to continue their

efforts to resolve such differences, Seller and Buyer shall engage an accounting firm acceptable to both Seller and Buyer to review the matters in dispute with respect to such Voluntary Disclosure Filing. Seller and Buyer shall each be entitled to make a presentation to the accounting firm within ten (10) Business Days after the engagement of the accounting firm, pursuant to procedures to be agreed to among Seller, Buyer and the accounting firm (or, if they cannot agree on such procedures, pursuant to procedures determined by the accounting firm), regarding their respective positions relating to such matters in dispute. After such review, the accounting firm shall promptly (and in any event within sixty (60) Business Days following its engagement) determine in writing the resolution of such disputed matters, which written determination shall be final and binding on the parties hereto. The cost of such review shall be paid one-half by Seller and one-half by Buyer. In the event of any conflict between Section 6.10(a), Section 6.10(b), Section 6.10(c) or Section 9.6 and this Section 6.10(i), this Section 6.10(i) shall control.

(j) Section 338(g) Election. Seller and Buyer agree that Buyer shall not make nor cause or permit to be made any election under Section 338(g) of the Code (a "***Section 338(g) Election***") with respect to TCSI or any other Subsidiary of the Company that is a foreign corporation within the meaning of Section 7701(a)(5) of the Code in connection with the transactions effected and/or contemplated pursuant to this Agreement unless Seller has consented to such election (such consent shall not be unreasonably withheld); *provided* that, notwithstanding anything to the contrary contained in this Agreement, (1) all costs (including any Taxes) attributable to a Section 338(g) Election shall be borne solely by Buyer, (2) Seller shall have no indemnity obligation to Buyer or any of its Affiliates from any liability for any costs (including Taxes) attributable to such election, and (3) Buyer shall indemnify and hold harmless Seller, within 10 days after demand therefor, from and against any and all of any increase in Seller's Tax liability (including any Taxes imposed or asserted on or attributable to amounts payable under this clause) that may result, directly or indirectly, from such an election. In the event such a Section 338(g) Election is made, Buyer shall be responsible for preparing any applicable purchase price allocation for Tax purposes in accordance with Section 6.10(h), and Buyer, each applicable Subsidiary of the Company and the Seller shall each file all Tax Returns, and execute such other documents as may be required by any Governmental Entity, in a manner consistent with such purchase price allocation. Buyer, the Company and its Subsidiaries, and the Seller each agree not to take any position inconsistent with any such Section 338(g) Election or related purchase price allocation.

6.11 Employee Matters.

(a) Buyer may extend offers of employment to any Company Employees effective as of the Closing Date. Schedule 6.11(a) of the Company Disclosure Letter sets forth the list of current Company Employees as of the date hereof. Subject to Section 5.2(f) hereof, the Company shall be entitled to update Schedule 6.11(a) periodically prior to the Closing Date to reflect any new hires, transfers, resignations and other employment additions and terminations of Company Employees which may have occurred subsequent to the date hereof in the ordinary course of business and shall deliver to Buyer a final version of Schedule 6.11(a) no later than ten (10) Business Days prior to the Closing Date.

(b) In no event shall any Company Employee be entitled to accrue any benefits under any employee benefit plans of Seller or its Affiliates with respect to services rendered or compensation paid on or after the Closing Date.

(c) The provisions contained in this Section 6.11 are for the sole benefit of the respective parties hereto and no current or former employee, director or independent contractor or any other individual associated therewith shall be regarded for any purpose as a third-party beneficiary of this Agreement. Nothing in this Section 6.11 is intended or shall be construed to (i) give any Person (including any Company Employee),

other than the parties hereto, their successors and permitted assigns, any legal or equitable right, remedy or claim under or in respect of this Section 6.11 or any provision contained herein or (ii) establish, amend, or modify any benefit plan, program, agreement or arrangement.

6.12 Employee Non-Solicitation. Seller shall not, and shall cause its Affiliates not to, directly or indirectly, for a period starting on the Closing Date and continuing until the one (1) year anniversary of the Closing Date, contact, solicit or approach for the purpose of offering employment to or other service relationship arrangement with (whether as an employee, consultant, agent, independent contractor or otherwise) any Company Employee during such one (1) year period; provided, however, that the foregoing shall not preclude (i) the hiring by Seller or its Affiliates of any such Company Employee who is applying for employment with Seller or its Affiliates on their own initiative without direct or indirect inducement or encouragement by Seller or Affiliates, (ii) the hiring of any Company Employee whose employment has been terminated by the Company or Buyer, (iii) the hiring of any Company Employee whose employment has been terminated by such Company Employee 180 days from the date of such termination of employment with the Company, or (iv) the solicitation (or employment as a result of the solicitation) of any such Company Employee through (x) public advertisements or general solicitations that are not specifically target at such person(s) or (y) recruiting or search firms retained by Seller or its Affiliates using a database of candidates without targeting any Company Employee, without direction or knowledge on Seller's or its Affiliates' behalf. Seller, for itself and on behalf of its Affiliates, agrees that the scope of the restrictive provisions set forth in this Section 6.12 are reasonable with respect to subject matter, time and scope and that the provisions contained in this Section 6.12 are a material inducement to Buyer's entering into this Agreement and but for the provisions contained in this Section 6.12 Buyer would not have entered into this Agreement. It is specifically understood and agreed that any breach of the provisions of this Section 6.12 by Seller or its Affiliates will result in irreparable injury to Buyer, that the remedy at law alone will be an inadequate remedy for such breach and that, in addition to any other remedy it may have, Buyer shall be entitled to enforce the specific performance of this Section 6.12 by Seller and its Affiliates through both temporary and permanent injunctive relief without the necessity of proving actual damages and without posting a bond, but without limitation of their right to damages and any and all other remedies available to them, it being understood that injunctive relief is in addition to, and not in lieu of, such other remedies.

6.13 Commercial Agreement. Buyer and Seller shall use reasonable best efforts to negotiate the terms of a commercial agreement addressing the terms set forth in Exhibit D attached hereto (the "***Commercial Agreement***"); if Seller waives the delivery of the Commercial Agreement from the conditions set forth in Section 7.2(d) prior to the Closing, the covenant in this Section 6.13 shall survive until a Commercial Agreement is entered into or the parties agree that no Commercial Agreement will be entered into.

6.14 Financing.

(a) Buyer shall use its best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things reasonably necessary to obtain the Financing on the terms and conditions described in the Financing Commitments as promptly as practicable, including using best efforts to: (i) maintain in effect the Financing Commitments in accordance with and subject to the terms and conditions set forth therein, (ii) negotiate and enter into definitive agreements with respect to the Financing on the terms and conditions contained in the Financing Commitments, (iii) satisfy on a timely basis all conditions in the Financing Commitments that are within its control, (iv) upon the satisfaction of the conditions set forth in the Financing Commitments and all conditions herein to Buyer's obligation to effect the Closing (in each case, other than those that can only be satisfied upon the Closing), consummate the Financing at or prior to the Closing in accordance with and subject to the terms and conditions set forth in the Financing Commitments and (v) at the request of Seller, fully enforce the obligations of the investors and the lenders (and the rights

of Buyer) under the Financing Commitments, including the filing of one or more lawsuits against the committing parties to fully enforce such investor's and lender's obligations (and the rights of Buyer) thereunder. Buyer shall keep Seller reasonably informed with respect to all material activity concerning the status of the Financing, including the status of Buyer's efforts to comply with its covenants under, and satisfy the conditions contemplated by, the Financing Commitments and shall give Seller prompt notice of any event or change that would reasonably be expected to materially and adversely affect the ability of Buyer to timely consummate the Financing. Without limiting the foregoing, Buyer shall give written notice to Seller promptly, and in any event within two Business Days, if at any time: (A) the Financing Commitments shall expire or be terminated for any reason or Buyer becomes aware of a material breach by any party to any Financing Commitments; (B) the receipt, on or prior to the Closing Date, of any written notice or other written communication from any financing source with respect to any actual or potential breach, default, event of default, termination or repudiation by any party to any Financing Commitments or any definitive document related to the Financing or pursuant to which the investors or lenders thereunder have indicated that they will not perform their obligations to make the investments or loans and other extensions of credit thereunder at or prior to the Closing; or (C) Buyer otherwise determines that Buyer is unlikely to timely receive the Financing. Prior to the Closing, Buyer shall not agree to any amendment, modification, supplementation, restatement or replacement of, or waiver under, the Financing Commitments in any manner (including by way of a side letter or other binding agreement, arrangement or understanding) without the prior written consent of Seller, except Buyer may amend, modify, supplement, restate or replace the Financing Commitments, in whole or part, if such amendment, modification, supplement, restatement or replacement (1) does not reduce the aggregate amount of the Financing below the Required Amount, (2) does not impose new or additional conditions, or expand or modify any of the existing conditions, to the consummation of the Financing, (3) is not reasonably expected to hinder, materially delay or prevent the Closing, (4) does not make the funding of the Financing (or satisfaction of the conditions to obtaining the Financing) less likely to occur in any respect and (5) does not adversely impact the ability of Buyer or Seller to enforce its rights against other parties to the Financing Commitments or the definitive agreements with respect thereto. In the event that all or any portion of the Financing becomes unavailable on the terms and conditions contemplated in the Financing Commitments (including after giving effect to applicable "market flex" provisions), Buyer shall use best efforts to arrange and obtain alternative financing ("***Alternative Financing***") from alternative sources in an amount sufficient to pay the Required Amount or otherwise replace the unavailable portion of the Financing promptly following the Financing becoming unavailable; provided, however, that in no event shall such Alternative Financing be subject to any new or additional conditions or other contingencies to the receipt or funding of the alternate financing, as compared to the conditions or other contingencies to the receipt or funding of the Financing under the Financing Commitments as in existence as of the date of this Agreement unless approved in writing by Seller. Buyer shall provide Seller with a copy of commitment letters and fee letters (but the fee letter may be redacted as to economic terms) for any Alternative Financing for its review prior to the execution thereof and of fully executed copies as promptly as practicable following the execution thereof. In the event that any Alternative Financing is obtained in accordance with this Section 6.14(a), references in this Agreement to the Financing shall be deemed to refer to such Alternative Financing (in lieu of the Financing replaced thereby), and if one or more commitment letters, fee letters or definitive financing agreements are entered into or proposed to be entered into in connection with such Alternative Financing, references in this Agreement to the Financing Commitments and definitive financing agreements in respect of the Financing shall be deemed to refer to such commitment letters, fee letters and definitive financing agreements relating to such Alternative Financing, and all obligations of Buyer pursuant to this Section 6.14(a) shall be applicable thereto to the same extent as Buyer's obligations with respect to the Financing replaced thereby. Buyer shall provide to Seller copies of all documents relating to the Financing reasonably requested by Seller.

(b) From the date hereof until the earlier of the Closing Date and the termination of this Agreement, Seller agrees, subject to Section 6.2, to use its commercially reasonable efforts to provide, and cause its respective senior management, agents and representatives to use their respective commercially reasonable efforts to provide, such assistance with the Financing as is reasonably requested by Buyer. Notwithstanding anything to the contrary contained in this Section 6.14(b), (i) nothing in this Section 6.14(b) shall require any such cooperation to the extent that it would (A) require Seller, the Company or any of their Subsidiaries or any of their representatives, as applicable, to (1) waive or amend any terms of this Agreement or agree to pay any commitment or other fees or reimburse any expenses prior to the Closing Date, or incur any liability or give any indemnities, (2) commit to take any similar action that is not contingent upon the Closing Date or (3) adopt or approve resolutions or consents to authorize the execution of any documents for the Financing unless the relevant directors or officers will continue in such positions (or similar positions) after the Closing, and in each case, such documents shall not become effective until the Closing or thereafter, (B) unreasonably interfere with the ongoing business or operations of Seller, the Company or any of their Subsidiaries or conflict with the other limitations set forth in Section 6.2, (C) require Seller, the Company or any of their Subsidiaries to take any action that will conflict with or violate any applicable Organizational Documents of Seller, the Company or any of their Subsidiaries or any Applicable Laws or result in a violation or breach of, or default under, any Contract which Seller, the Company or any of their Subsidiaries is a party, (D) result in any officer or director of Seller, the Company or any of their Subsidiaries incurring any personal liability with respect to any matters relating to the Financing or (E) require Seller, the Company or any of their Subsidiaries to enter into any financing or purchase agreement for the Financing that would be effective prior to the Closing Date and (ii) no liability or obligation of Seller, the Company or any of their Subsidiaries or any of their representatives under any agreement entered into in connection with the Financing shall be effective until the Closing Date.

(c) Buyer shall, within ten (10) days following written request by Seller, reimburse Seller for all reasonable third-party costs incurred by Seller, the Company or any of their Subsidiaries in connection with such cooperation. Buyer shall indemnify and hold harmless Seller, the Company and any of their Subsidiaries and Affiliates from and against any and all liabilities or losses suffered or incurred by them in connection with the arrangement of the Financing and any information utilized in connection therewith (other than historical information provided by Seller, the Company or any of their Subsidiaries). The obligations of Buyer under this Section 6.14(c) shall survive the termination of this Agreement.

6.15 Board Observer Rights. As long as the Note is outstanding and Seller or its successors own at least 1% on a fully diluted basis of Buyer's securities, Buyer shall invite a representative of Seller to attend all meetings of Buyer's board of directors in a non-voting observer capacity and, in this respect, shall give such representative copies of all notices, minutes, consents and other materials that it provides to its directors at the same time and in the same manner as provided to such directors; provided, however, that such representative shall agree to hold in confidence and trust pursuant to the provisions of Section 6.2, and to act in a fiduciary manner with respect to, all information so provided; provided, further, that Buyer may withhold any information and to exclude such representative from any materials or meeting or portion thereof if access to such information or attendance at such meeting could adversely affect the attorney-client privilege between Buyer and its counsel or result in disclosure of trade secrets or other highly confidential information.

ARTICLE VII
CONDITIONS TO CLOSING

7.1 Conditions to Obligations of Each Party. The respective obligations of each party hereto to consummate the Transactions shall be subject to the satisfaction or waiver in writing at or prior to the Closing of each of the following conditions:

(a) Illegality. No Order issued by any court of competent jurisdiction or other legal or regulatory restraint or prohibition preventing the consummation of the Transactions shall be in effect, and no action shall have been taken by any Governmental Entity seeking any of the foregoing, and no Applicable Law or Order shall have been enacted, entered, enforced or deemed applicable to the Transactions that makes the consummation of the Transactions illegal.

(b) Antitrust Clearance. With respect to the jurisdictions set forth in Schedule 7.1(b), all filings with and approvals of any Governmental Entity required to be made or obtained in connection with the Transactions shall have been made or obtained and shall be in full force and effect and the applicable waiting period under the HSR Act and other Antitrust Laws with respect to the jurisdictions set forth in Schedule 7.1(b) shall have expired or early termination of such waiting period shall have been granted by the applicable Governmental Entity (the "***Antitrust Condition***").

7.2 Additional Conditions to Obligations of Seller and the Company. The obligations of Seller and the Company to consummate the Transactions shall be subject to the satisfaction or waiver at or prior to the Closing of each of the following conditions (it being understood and agreed that each such condition is solely for the benefit of Seller and the Company and may be waived by either Seller or the Company in writing in its sole discretion without notice or Liability to any Person):

(a) Representations, Warranties and Covenants. The representations and warranties made by Buyer herein shall be true and correct in all material respects (except for such representations and warranties that are qualified by their terms by a reference to materiality or Material Adverse Effect, which representations and warranties as so qualified shall be true and correct in all respects) on and as of the Agreement Date and on and as of the Closing Date as though such representations and warranties were made on and as of such dates (except for representations and warranties that address matters only as to a specified date or dates, which representations and warranties shall be true and correct with respect to such specified date or dates). Buyer shall have performed and complied in all material respects with all covenants, agreements and obligations herein required to be performed and complied with by Buyer at or prior to the Closing.

(b) Receipt of Closing Deliveries. Seller and the Company shall have received each of the agreements, instruments, certificates and other documents set forth in Section 1.3(a).

(c) Receipt of Consent from Lender. Seller shall have received from JPMorgan Chase Bank, N.A. under that certain Amendment and Restatement Agreement dated as of December 21, 2015 to the Credit Agreement dated as of May 13, 2011, as previously amended and restated as of September 12, 2013 and subsequently amended prior to the date hereof, among Seller, the lenders party thereto and JPMorgan Chase Bank, N.A. (the "***Seller Credit Facility***") a consent to (i) waive the covenant set forth in Section 6.05 of the Seller Credit Facility and (ii) release the Company as a Guarantor (as defined therein) under the Seller Credit Facility.

(d) Receipt of Executed Commercial Agreement. Seller shall have received the Commercial Agreement, duly executed by Buyer.

7.3 Additional Conditions to the Obligations of Buyer. The obligation of Buyer to consummate the Transactions shall be subject to the satisfaction or waiver at or prior to the Closing of each of the following

conditions (it being understood and agreed that each such condition is solely for the benefit of Buyer and may be waived by Buyer in writing in its sole discretion without notice or Liability to any Person):

(a) Representations, Warranties and Covenants. The representations and warranties made by Seller and the Company herein shall be true and correct in all material respects (except for such representations and warranties that are qualified by their terms by a reference to materiality or Material Adverse Effect, which representations and warranties as so qualified shall be true and correct in all respects) on and as of the Agreement Date and on and as of the Closing Date as though such representations and warranties were made on and as of such dates (except for representations and warranties that address matters only as to a specified date or dates, which representations and warranties shall be true and correct with respect to such specified date or dates). Seller and the Company shall have performed and complied in all material respects with all covenants, agreements and obligations herein required to be performed and complied with by Seller and the Company at or prior to the Closing.

(b) Receipt of Closing Deliveries. Buyer shall have received each of the agreements, instruments, certificates and other documents set forth in Section 1.3(b) and 1.3(c).

(c) Injunctions or Restraints on Conduct of Business. No Order issued by any court of competent jurisdiction or other legal or regulatory restraint or prohibition limiting or restricting Buyer's ownership, conduct or operation of the Business following the Closing shall be in effect, including any Antitrust Limitation, and no Legal Proceeding by any Governmental Entity seeking any of the foregoing, or any Legal Proceeding by any Person seeking to prohibit or limit the consummation of the Transactions, shall be pending or threatened.

(d) No Legal Proceedings. No Governmental Entity shall have commenced or threatened to commence any Legal Proceeding challenging or seeking the recovery of a material amount of damages in connection with the Transactions or seeking to prohibit or limit the exercise by Buyer of any material right pertaining to ownership of Equity Interests of the Company.

(e) No Material Adverse Effect. There shall not have occurred a Material Adverse Effect with respect to the Company.

ARTICLE VIII
TERMINATION

8.1 Termination. At any time prior to the Closing, this Agreement may be terminated and the Transactions abandoned by authorized action taken by the terminating party:

(a) by mutual written consent duly authorized by Buyer and Seller;

(b) by either Buyer on the one hand, or Seller on the other hand, by written notice to the other, if the Closing shall not have occurred on or before September 9, 2017 or such other date that Buyer and Seller may agree upon in writing (the "***Termination Date***"); provided that either Buyer or Seller may, by written notice to the other, extend the Termination Date to December 9, 2017 if, as of September 9, 2017, (A) the Antitrust Condition shall not have been satisfied and (B) all of the other conditions to the Closing set forth in Article VII shall have been satisfied or waived (other than the conditions that, by their terms, are intended to be satisfied at the Closing, which conditions only need to be capable of being satisfied at the Closing); provided, further, that the right to terminate this Agreement under this Section 8.1(b) shall not be available to any party whose breach of any covenant, agreement or obligation hereunder will have been the

principal cause of, or will have resulted in, the failure of the Closing to occur on or before the Termination Date;

(c) by either Buyer on the one hand, or Seller on the other hand, by written notice to the other, if any Order of a Governmental Entity of competent authority preventing the consummation of the Transactions shall have become final and non-appealable;

(d) by Buyer, by written notice to Seller, if (i) there shall have been a failure or breach in any material respect of any representation or warranty made by, or Seller or the Company has failed to perform any covenant, agreement or obligation of, Seller or the Company herein in any material respect and such failure or breach or failure to perform, as applicable, is not reasonably capable of being cured on or before the Termination Date or, if curable, shall not have been cured within twenty Business Days after receipt by the Company of written notice thereof and, if not cured within such period and at or prior to the Closing, such failure or breach or failure to perform would result in the failure of any of the conditions set forth in Section 7.1 or Section 7.3 to be satisfied (provided that Buyer shall not have the right to terminate this Agreement pursuant to this Section 8.1(d)(i) if Buyer is then in material breach of this Agreement) or (ii) there shall have been a Material Adverse Effect with respect to the Company that is not reasonably capable of being cured on or before the Termination Date or, if curable, shall not have been cured within twenty Business Days after receipt by the Company of written notice thereof; or

(e) by Seller, by written notice to Buyer, if there shall have been a failure or breach in any material respect of any representation or warranty made by, or if the Buyer, has failed to perform any covenant, agreement or obligation of Buyer herein in any material respect and such failure or breach or failure to perform, as applicable, is not reasonably capable of being cured on or before the Termination Date or, if curable, shall not have been cured within twenty Business Days after receipt by Buyer of written notice of such failure or breach or failure to perform and, if not cured within such period and at or prior to the Closing, such failure or breach or failure to perform would result in the failure of any of the conditions set forth in Section 7.1 or Section 7.2 to be satisfied (provided that Seller shall not have the right to terminate this Agreement pursuant to this Section 8.1(e) if the Seller and the Company are then in material breach of this Agreement).

8.2 Effect of Termination. In the event of termination of this Agreement as provided in Section 8.1, this Agreement shall forthwith become void and there shall be no Liability on the part of Buyer, Seller, the Company or their respective officers, directors, stockholders, managers, members or Affiliates; provided that (i) Section 6.2 (Confidentiality; Public Disclosure), Section 6.7 (Expenses), this Section 8.2 (Effect of Termination), Article X (General Provisions) and any related definition provisions in or referenced in Exhibit A and the Confidentiality Agreement shall remain in full force and effect and survive any termination of this Agreement and (ii) nothing herein shall relieve any party hereto from Liability in connection with any intentional misrepresentation made by, or a willful breach of any covenant, agreement or obligation of, such party herein.

ARTICLE IX
INDEMNIFICATION

9.1 Indemnification.

(a) Subject to the limitations set forth in this Article IX, from and after the Closing, Seller shall, indemnify and hold harmless Buyer and the Company and their respective officers, directors, agents and employees and each Person, if any, who controls or may control Buyer within the meaning of the Securities Act (each, an "***Indemnified Person***") from and against any and all losses, Liabilities, damages,

claims, fees, lost profits, Taxes, reductions in value (to the extent determined to be a reasonable measure of damages under the circumstances), interest, reasonable costs and expenses, including reasonable out-of-pocket costs of investigation, reasonable defense and fees and expenses of counsel, experts and other professionals (but excluding Sales Tax Expenses), directly or indirectly incurred or sustained (collectively, "***Indemnifiable Damages***"), arising out of:

(i) any failure of any representation or warranty made by Seller or the Company herein or in the Company Disclosure Letter (including any exhibit to or schedule of the Company Disclosure Letter) or to be true and correct (I) as of the Agreement Date (except in the case of representations and warranties that by their terms speak only as of a specified date or dates, which representations and warranties shall be true and correct as of such date or dates), or (II) as of the Closing Date as though such representation or warranty were made as of the Closing Date (except in the case of representations and warranties that by their terms speak only as of a specific date or dates, which representations and warranties shall be true and correct as of such date or dates);

(ii) any failure of any certification, representation or warranty made by the Company in any certificate (other than the Company Closing Net Working Capital Certificate) delivered to Buyer pursuant to this Agreement to be true and correct as of the date such certificate is delivered to Buyer;

(iii) any breach of, or default on the part of the Company in connection with, any of the covenants, agreements or obligations made by the Company herein or in any other agreements contemplated by the Transaction Documents;

(iv) any inaccuracies in the Company Closing Net Working Capital Certificate;

(v) any Pre-Closing Taxes to the extent not taken into account in calculating the Company Net Working Capital; *provided*, however, that Seller shall not be liable for any Sales Tax Expenses;

(vi) any matters disclosed on Schedule 9.1(a)(vi); and

(vii) any fraud or intentional misrepresentation by or on behalf of Seller or the Company.

(b) Materiality standards or qualifications, qualifications or requirements that a matter be or not be "reasonably expected" or "reasonably likely" to occur and qualifications by reference to the defined term "Material Adverse Effect" in any representation, warranty, covenant, agreement or obligation shall only be taken into account in determining whether a failure in such representation or warranty, or a breach of such covenant, agreement or obligation, exists, and shall not be taken into account in determining the amount of any Indemnifiable Damages with respect to such failure or breach.

9.2 Indemnifiable Damage Threshold; Other Limitations.

(a) Notwithstanding anything to the contrary contained herein, no Indemnified Person may make a claim in respect of any claim for Indemnifiable Damages arising out of, resulting from or in connection with the matters listed in Sections 9.1(a)(i) or 9.1(a)(ii) (other than claims arising out of, resulting from or in connection with (i) fraud or intentional misrepresentation by or on behalf of Seller or the Company or (ii) any failure of any of the Special Representations (as defined below) to be true and correct as aforesaid) unless and until a Claim Certificate (together with any other delivered Claim Certificates) describing

Indemnifiable Damages in an aggregate amount greater than $2,000,000 with respect to claims for Indemnifiable Damages arising out of, resulting from or in connection with the matters listed in Sections 9.1(a)(i) or 9.1(a)(ii) (the "***Basket***") has been delivered, in which case the Indemnified Person may make claims for indemnification, compensation and reimbursement for all Indemnifiable Damages (including the amount of the Basket). The Basket shall not apply to any other Indemnifiable Damages or claims therefor.

(b) If the Transaction is consummated, the maximum liability of Seller and the Company under this Agreement for Indemnifiable Damages arising out of, resulting from or in connection with the matters listed in Sections 9.1(a)(i) or 9.1(a)(ii), except (i) in the case of fraud or intentional misrepresentation by or on behalf of Seller or the Company and (ii) any failure of any of the representations and warranties made by (A) the Company in Section 2.1 (Organization, Standing, Power and Subsidiaries), Section 2.2 (Capitalization), Section 2.3(a) (Authority; Non-contravention), Section 2.11 (Taxes), or (B) the Company in any certificate delivered to Buyer pursuant to this Agreement that are within the scope of those covered by the foregoing Sections (collectively, the "***Special Representations***") to be true and correct as aforesaid, shall equal $20,000,000. From and after the Closing, the indemnification procedures set forth in this Article IX shall represent the sole and exclusive remedy for all claims by the Indemnified Persons in connection with this Agreement and the transactions contemplated hereby; provided that nothing in this Agreement shall limit the right of any Indemnified Person to specific performance or other equitable remedies.

(c) In the case of any claims for Indemnifiable Damages arising out of, resulting from or in connection with the failure of any of the Special Representations to be true and correct as aforesaid or the matters listed in Sections 9.1(a)(iii), 9.1(a)(iv), 9.1(a)(v), 9.1(a)(vi) or 9.1(a)(vii) (collectively, "***Fundamental Claims***"), Seller shall have Liability for the amount of any Indemnifiable Damages resulting therefrom, subject to the limitations herein. Notwithstanding anything to the contrary contained herein, the total liability of Seller for all claims under this Agreement, taken as a whole, other than in the case of fraud or intentional misrepresentation by Seller or the Company (for which total liability shall be uncapped) shall be limited to the Purchase Price.

(d) Notwithstanding anything to the contrary contained herein, (i) Seller shall not have any right of indemnification, compensation, reimbursement, contribution or right of advancement from Buyer or any other Indemnified Person with respect to any Indemnifiable Damages claimed by any Indemnified Person or any right of subrogation against the Company with respect to any indemnification, compensation or reimbursement of an Indemnified Person by reason of any of the matters set forth in Section 9.1(a), (ii) the rights and remedies of the Indemnified Persons after the Closing shall not be limited by (x) any investigation by or on behalf of, or disclosure to (other than in the Company Disclosure Letter with respect to Sections 9.1(a)(i) and 9.1(a)(ii), subject to any limitations expressly set forth therein), any Indemnified Person at or prior to the Closing regarding any failure, breach or other event or circumstance or (y) any waiver of any condition to the Closing related thereto and (iii) if an Indemnified Person's claim under this Article IX may be properly characterized in multiple ways in accordance with this Article IX such that such claim may or may not be subject to different limitations depending on such characterization, then such Indemnified Person shall have the right to characterize such claim in a manner that maximizes the recovery and time to assert such claim permitted in accordance with this Article IX.

(e) All Indemnifiable Damages shall be calculated net of the amount of any actual recoveries actually received by an Indemnified Person prior to the final resolution of the associated claim under any existing insurance policies and contractual indemnification or contribution provisions (in each case, calculated net of any actual collection costs and reserves, expenses, deductibles or premium adjustments or retrospectively rated premiums (as determined in good faith by an Indemnified Person) incurred or paid to procure such recoveries) in respect of any Indemnifiable Damages suffered, paid, sustained or incurred

by any Indemnified Person; provided that no Indemnified Person shall have any obligation to seek to obtain or continue to pursue any such recoveries, except to the extent expressly provided in Section 9.2(f).

(f) Prior to making any claim for Indemnifiable Damages for any Sales Taxes, the Indemnified Persons agree to use best efforts to obtain recoveries, or provide proof of payment (or lack thereof), from each applicable venue, customer or distributor for such Taxes. For purposes of the foregoing sentence, "best efforts" shall be deemed satisfied by the Indemnified Persons with respect to any particular venue, customer or distributor if an officer of the Buyer certifies in writing to the Seller (and provides evidence reasonably satisfactory to Seller) that the Buyer (or any of its Affiliates, employees or agents) has performed each of the following actions: (1) the Buyer (or any of its Affiliates, employees or agents) shall have requested in writing, at least two times, by certified mail to such venue, customer or distributor a confirmation that the applicable Taxes have not been paid and a recovery payment in the amount of such Taxes, (2) the Buyer (or any of its Affiliates, employees or agents) shall have investigated public records to determine whether the venue, customer or distributor continues to operate as a going concern, and (3) the Buyer (or any of its Affiliates, employees or agents) shall have engaged a third party collection agent to seek recovery of the applicable Taxes from such venue, customer or distributor; provided, however, with respect to such Taxes in excess of $100,000 (determined on a cumulative basis) with respect to any venue, customer or distributor, (i) "best efforts" shall further require that the Buyer and the Seller have consulted in good faith to determine the extent to which additional steps may be appropriate to recover such amounts and the Buyer shall have taken any such additional steps, and (ii) in the event that Buyer and Seller cannot agree on such additional steps, then Buyer shall have the right to make a claim for Indemnifiable Damages for such Taxes and Seller shall have the right in its sole discretion to pursue any additional steps (including litigation) to recover such Taxes at its own expense and solely for its own benefit, and in such event Buyer agrees to cooperate to the extent requested by Seller with respect to such additional steps. Notwithstanding anything to the contrary in this Agreement, the costs and expenses of performing the steps described in clause (3) and clause (i) of the proviso of the preceding sentence shall be borne 50% by the Buyer and 50% by the Seller (as Indemnifiable Damages). In addition, the Indemnified Persons agree to consult in good faith with the Seller at the Seller's request regarding the Indemnified Persons' efforts to recover any such Taxes, obtain proof of payment, and/or obtain written certifications from such venues, customers or distributors, and shall consider the Seller's comments with respect to such efforts in good faith. Any amounts recovered from or confirmed to have been paid by any venue, customer or distributor shall not be eligible for recovery as Indemnifiable Damages hereunder.

9.3 Period for Claims. Except as otherwise set forth in this Section 9.3, the period (the "***Claims Period***") during which claims may be made (i) for Indemnifiable Damages arising out of, resulting from or in connection with (A) the matters listed in Sections 9.1(a)(i) or 9.1(a)(ii) (other than with respect to any of the Special Representations or the IP Representations) shall commence at the Closing and terminate at 11:59 p.m. local time on the date that is 15 months following the Closing Date and (B) any failure of any of the representations and warranties made by the Company in Section 2.10 (Intellectual Property) (the "***IP Representations***") shall commence at the Closing and terminate at 11:59 p.m. local time on the date that is 18 months following the Closing Date and (ii) for Indemnifiable Damages arising out of, resulting from or in connection with all other matters, including Fundamental Claims and matters listed in Section 9.1(a)(v), shall commence at the Closing and terminate at 11:59 p.m. local time on the expiration of the applicable statute of limitations for such matter. Notwithstanding anything to the contrary contained herein, the Claims Period for claims for Indemnifiable Damages arising out of, resulting from or in connection with matters listed in Section 9.1(a)(vi) or fraud, intentional misrepresentation or willful conduct shall not be limited. For the avoidance of doubt, it is the intention of the parties hereto that the foregoing respective survival periods supersede any applicable statute of limitations that would otherwise apply.

9.4 Claims.

(a) During the Claims Period, Buyer may deliver to Seller one or more certificates signed by any officer of Buyer (each, a " ***Claim Certificate***"):

(i) stating that an Indemnified Person has incurred, paid, reserved or accrued, or in good faith believes that it may incur, pay, reserve or accrue, Indemnifiable Damages; provided, that with respect to Indemnifiable Damages related to Sales Taxes, such Indemnified Person has reasonably demonstrated compliance with Section 9.2(f) prior to delivering a Claim Certificate;

(ii) stating the amount of such Indemnifiable Damages (which, in the case of Indemnifiable Damages not yet incurred, paid, reserved or accrued, may be the maximum amount believed by Buyer in good faith to be incurred, paid, reserved, accrued or demanded by a third party); and

(iii) specifying in reasonable detail (based upon the information then possessed by Buyer) the individual items of such Indemnifiable Damages included in the amount so stated and the nature of the claim to which such Indemnifiable Damages are related.

(b) Such Claim Certificate (i) need only specify such information to the knowledge of such officer of Buyer as of the date thereof, (ii) shall not limit any of the rights or remedies of any Indemnified Person with respect to the underlying facts and circumstances specifically set forth in such Claim Certificate and (iii) may be updated and amended from time to time by Buyer by delivering any updated or amended Claim Certificate, so long as the delivery of the original Claim Certificate is made within the applicable Claims Period and such update or amendment relates to the underlying facts and circumstances specifically set forth in such original Claims Certificate; provided that all claims for Indemnifiable Damages properly set forth in a Claim Certificate or any update or amendment thereto shall remain outstanding until such claims have been resolved or satisfied, notwithstanding the expiration of such Claims Period. No delay in providing such Claim Certificate within the applicable Claims Period shall affect an Indemnified Person's rights hereunder, unless (and then only to the extent that) Seller or the Company are materially prejudiced thereby.

9.5 Resolution of Objections to Claims.

(a) If Seller does not contest, by written notice to Buyer, any claim or claims by Buyer made in any Claim Certificate within the 30-day period following receipt of the Claim Certificate, then the principal amount of the Note shall be reduced by an amount equal to the amount of any Indemnifiable Damages corresponding to such claim or claims as set forth in such Claim Certificate; provided, however if the claim or claims set forth in such Claim Certificate relate to the matters listed in Section 9.1(a)(vi), Seller shall instead pay Seller an amount of cash equal to the amount of any Indemnifiable Damages corresponding to such claim or claims as set forth in such Claim Certificate.

(b) If Seller objects in writing to any claim or claims by Buyer made in any Claim Certificate within the 30-day period set forth in Section 9.5(a), Buyer and Seller shall attempt in good faith for 45 days after Buyer's receipt of such written objection to resolve such objection. If Buyer and Seller shall so agree, a joint written instruction setting forth such agreement shall be prepared, signed by both parties. Upon execution of such instruction by both parties, Buyer shall be entitled to reduce the principal amount of the Note by an amount in accordance with such instruction provided, however if the claim or claims set forth in such Claim Certificate relate to the matters listed in Section 9.1(a)(vi), Seller shall instead pay Seller an amount of cash in accordance with such instruction. If no such agreement can be reached during the 45-day period for good faith negotiation set forth in Section 9.5(b), but in any event upon the

expiration of such 45-day period, either Buyer or Seller may bring an arbitration in accordance with the terms of Section 10.12 to resolve the matter. The decision of the arbitrator as to the validity and amount of any claim in such Claim Certificate shall be non-appealable, binding and conclusive upon the parties hereto, and Buyer shall be entitled to reduce the principal amount of the Note by an amount in accordance therewith; provided, however if the claim or claims set forth in such Claim Certificate relate to the matters listed in Section 9.1(a)(vi), Seller shall instead pay Seller an amount of cash in accordance with such decision.

(c) Judgment upon any determination of an arbitrator may be entered in any court having jurisdiction. The non-prevailing party to an arbitration shall pay its own fees and expenses and the fees and expenses of the prevailing party, including attorneys' fees and costs, reasonably incurred in connection with such suit.

9.6 Third-Party Claims. In the event that Buyer becomes aware of a third-party claim or demand (including a threat in writing of such), or is served with a third-party complaint, counterclaim or cross-claim in litigation (collectively, a "***Third-Party Claim***") that Buyer reasonably believes may result in a claim for indemnification under this Agreement, Buyer shall promptly notify Seller in the relevant Claim Certificate (or amendment thereof) of such Third-Party Claim and (subject to any applicable confidentiality or privacy obligations or law) the identity of the person or party asserting such claim or demand; provided that the failure to give prompt notice shall not affect the indemnification provided hereunder except if and to the extent Seller has been actually and materially prejudiced as a result of such failure. Seller shall have the right to receive copies of all pleadings, notices and communications with respect to the Third-Party Claim to the extent that receipt of such documents does not affect any claim of privilege relating to any Indemnified Person, and subject to execution by Seller of Buyer's (and, if required, such third party's) standard non-disclosure agreement to the extent that such materials contain confidential or propriety information. Seller, shall, at its sole expense, be entitled to participate in any defense of such Third-Party Claim; provided that Buyer shall have the right in its sole discretion to determine and conduct the defense of any Third-Party Claims. Buyer shall be entitled to settle such Third-Party Claim without the consent of Seller; provided that any settlement of a Third-Party Claim without the consent of Seller shall not be determinative of any indemnification Claim that may be made hereunder resulting from such Third-Party Claim. Notwithstanding anything to the contrary contained herein, if there is a Third-Party claim that if adversely determined would give rise to a right of recovery for Indemnifiable Damages hereunder that is either, (a) not otherwise subject to a settlement or other adjudication that is consented to in writing by Seller or (b) is not otherwise determined to constitute Indemnifiable Damages hereunder, then 50% of any amounts incurred by the Indemnified Persons in defense of such Third-Party Claim, shall be deemed Indemnifiable Damages and shall be borne by the Indemnifying Parties in accordance with this Article VIII and the remaining 50% of such amounts shall be borne by the Indemnified Persons. If there shall be any conflicts between the provisions of this Section 9.6 and Section 6.10(b) (relating to Tax Contests), the provisions of Section 6.10(b) shall control.

9.7 Treatment of Indemnification Payments. Buyer and Seller agree to treat (and cause their respective Affiliates to treat) any payment received by the Indemnified Persons pursuant to this Article IX as adjustments to the Purchase Price for all Tax purposes to the maximum extent permitted by Applicable Law.

ARTICLE X
GENERAL PROVISIONS

10.1 Survival of Representations, Warranties and Covenants. If the Transaction is consummated, the representations and warranties made herein, in the Company Disclosure Letter (including any exhibit to

or schedule of the Company Disclosure Letter), and in the other certificates contemplated by this Agreement shall survive the Closing and remain in full force and effect, regardless of any investigation or disclosure made by or on behalf of any of the parties hereto, until the date that is 15 months following the Closing Date; provided that, regardless of any investigation or disclosure made by or on behalf of any of the parties hereto, (i) the IP Representations will remain operative and in full force and effect until the date that is 18 months following the Closing Date and (ii) the Special Representations will remain operative and in full force and effect until the expiration of the applicable statute of limitations for such matter for claims that seek recovery of Indemnifiable Damages arising out of, resulting from or in connection with a failure in such representations or warranties; provided, further, that no right to indemnification pursuant to Article IX in respect of any claim that is set forth in a Claim Certificate delivered to Seller on or prior to the expiration of such representations and warranties shall be affected by such expiration; provided, further, that such expiration shall not affect the rights of any Indemnified Person under Article IX or otherwise to seek recovery of Indemnifiable Damages arising out of, resulting from or in connection with any fraud or intentional misrepresentation until the expiration of the applicable statute of limitations. If the Transaction is consummated, the representations and warranties made by Buyer herein and in the other certificates contemplated by this Agreement shall expire and be of no further force or effect as of the Closing. If the Transaction is consummated, all covenants, agreements and obligations of the parties hereto shall expire and be of no further force or effect as of the Closing, except to the extent such covenants, agreements and obligations provide that they are to be performed after the Closing; provided that no right to indemnification pursuant to Article IX in respect of any claim based upon any breach of a covenant, agreement or obligation shall be affected by the expiration of such covenant, agreement or obligation.

10.2 Expenses. Whether or not the Transaction is consummated, all costs and expenses incurred in connection with the Transaction, this Agreement, the Transaction Documents and the transactions contemplated hereby and thereby shall be paid by the party incurring or required to incur such expenses.

10.3 Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed given if delivered personally or by commercial delivery service, or mailed by registered or certified mail (return receipt requested) or sent via facsimile (with automated confirmation of receipt) to the parties hereto at the following address (or at such other address for a party as shall be specified by like notice):

(i) if to Buyer, to:

Eventbrite, Inc.
155 5th Street, 7th Floor
San Francisco, CA 94103
Attention: Chief Executive Officer
Telephone No.: (415) 813-3236

with a copy (which shall not constitute notice) to:

Goodwin Procter LLP
135 Commonwealth Drive
Menlo Park, CA 94025
Attention: Anthony McCusker; Andrew Hill
Facsimile No.: (650) 618-1824
Telephone No.: (650) 752-3100

(ii) if to Seller, to:

Pandora Media, Inc.
2100 Franklin St. Suite 700
Oakland, CA 94612
Attention: General Counsel
Facsimile No.: (510) 593-2729
Telephone No.: (510) 593-2729

with a copy (which shall not constitute notice) to:

Sidley Austin LLP
1001 Page Mill Road
Building 1
Palo Alto, CA 94304
Attention: Martin A. Wellington
Facsimile No.: (650) 565-7100
Telephone No.: (650) 565-7123

(iii) if to the Company, to:

Ticketfly, LLC
c/o Pandora Media, Inc.
2100 Franklin St. Suite 700
Oakland, CA 94612
Attention: General Counsel
Facsimile No.: (510) 593-2729
Telephone No.: (510) 593-2729

with a copy (which shall not constitute notice) to:

Sidley Austin LLP
1001 Page Mill Road
Building 1
Palo Alto, CA 94304
Attention: Martin A. Wellington
Facsimile No.: (650) 565-7100
Telephone No.: (650) 565-7123

Any notice given as specified in this Section 10.3 (i) if delivered personally or sent by facsimile transmission shall conclusively deemed to have been given or served at the time of dispatch if sent or delivered on a Business Day or, if not sent or delivered on a Business Day, on the next following Business Day and (ii) if sent by commercial delivery service or mailed by registered or certified mail (return receipt requested) shall conclusively be deemed to have been received on the third Business Day after the post of the same.

10.4 Interpretation. When a reference is made herein to Articles, Sections, subsections, Schedules or Exhibits, such reference shall be to an Article, Section or subsection of, or a Schedule or an Exhibit to this Agreement unless otherwise indicated. The headings contained herein are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. The words “include,”

"includes" and "including" when used herein shall be deemed in each case to be followed by the words "without limitation." Where a reference is made to a Contract, instrument or Applicable Law, such reference is to such Contract, instrument or Applicable Law as amended, modified or supplemented, including (in the case of Contracts or instruments) by waiver or consent and (in the case of Applicable Law) by succession of comparable successor Applicable Law and references to all attachments thereto and instruments incorporated therein. Unless the context of this Agreement otherwise requires: (i) words of any gender include each other gender and neutral forms of such words, (ii) words using the singular or plural number also include the plural or singular number, respectively, (iii) the terms "hereof," "herein," "hereto," "hereunder" and derivative or similar words refer to this entire Agreement, (iv) references to clauses without a cross-reference to a Section or subsection are references to clauses within the same Section or, if more specific, subsection, (v) references to any person include the successors and permitted assigns of that person, (vi) references from or through any date shall mean, unless otherwise specified, from and including or through and including, respectively, (vii) the phrases "provide to" and "deliver to" and phrases of similar import mean that a true, correct and complete paper or electronic copy of the information or material referred to has been delivered to the party to whom such information or material is to be provided and (viii) the phrase "made available to" and phrases of similar import means, with respect to any information, document or other material of Buyer or Seller, that such information, document or material was made available for review and properly indexed by the Company or Seller, respectively, and its Representatives in the virtual data room established by Buyer or Seller, respectively, in connection with this Agreement at least 48 hours prior to the execution of this Agreement, and (ix) references to "fraud", "intentional misrepresentation", "willful breach" and words of similar import or meaning shall be read in all cases to include the element of scienter. The symbol "$" refers to United States Dollars. The word "extent" in the phrase "to the extent" means the degree to which a subject or other thing extends and such phrase shall not mean simply "if." References to a Person are also to its permitted successors and assigns. All references to "days" shall be to calendar days unless otherwise indicated as a "Business Day." Unless indicated otherwise, all mathematical calculations contemplated by this Agreement shall be rounded to the tenth decimal place, except in respect of payments, which shall be rounded to the nearest whole United States cent.

10.5 Amendment. Subject to Applicable Law, the parties hereto may amend this Agreement by authorized action at any time pursuant to an instrument in writing signed on behalf of each of the parties hereto.

10.6 Extension; Waiver. At any time at or prior to the Closing, any party hereto may, to the extent legally allowed, (i) extend the time for the performance of any of the obligations or other acts of the other parties hereto owed to such party, (ii) waive any inaccuracies in the representations and warranties made to such party contained herein or in any document delivered pursuant hereto and (iii) waive any breaches of any of the covenants, agreements, obligations or conditions for the benefit of such party contained herein. At any time after the Closing, Buyer and Seller may, to the extent legally allowed, (A) extend the time for the performance of any of the obligations of the other owed to such party, (B) waive any inaccuracies in the representations and warranties made to such party contained herein or in any document delivered pursuant hereto or (C) waive any breaches of any of the covenants, agreements, obligations or conditions for the benefit of such party contained herein. Any such extension or waiver shall be valid only if set forth in an instrument in writing that is (I) prior to the Closing with respect to the Company, signed by the Company, (II) after the Closing with respect to Seller, signed by Seller and (III) with respect to Buyer, signed by Buyer. Without limiting the generality or effect of the preceding sentence, no failure to exercise or delay in exercising any right under this Agreement shall constitute a waiver of such right, and no waiver of any breach or default shall be deemed a waiver of any other breach or default of the same or any other provision herein.

10.7 Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same instrument and shall become effective when one or more counterparts have been signed by each of the parties hereto and delivered to the other parties hereto; it being understood and agreed that all parties hereto need not sign the same counterpart. The delivery by facsimile or by electronic delivery in PDF format of this Agreement with all executed signature pages (in counterparts or otherwise) shall be sufficient to bind the parties hereto to the terms and conditions set forth herein. All of the counterparts will together constitute one and the same instrument and each counterpart will constitute an original of this Agreement.

10.8 Entire Agreement; Parties in Interest . This Agreement and the documents and instruments and other agreements specifically referred to herein or delivered pursuant hereto, including all the exhibits attached hereto, the Schedules, including the Company Disclosure Letter, (a) constitute the entire agreement among the parties hereto with respect to the subject matter hereof and supersede all prior agreements and understandings, both written and oral, among the parties hereto with respect to the subject matter hereof, except for the Confidentiality Agreement, which shall continue in full force and effect, and shall survive any termination of this Agreement, in accordance with its terms and (b) are not intended to confer, and shall not be construed as conferring, upon any Person other than the parties hereto any rights or remedies hereunder (except that Article IX is intended to benefit the Indemnified Persons).

10.9 Assignment. Neither this Agreement nor any of the rights and obligations under this Agreement may be assigned or delegated, in whole or in part, by operation of law or otherwise by any of the parties hereto without the prior written consent of the other parties hereto, and any such assignment without such prior written consent shall be null and void, except that Buyer may assign its rights and delegate its obligations under this Agreement to any direct or indirect wholly owned subsidiary of Buyer without the prior consent of any other party hereto; provided that notwithstanding any such assignment, Buyer, as applicable, shall remain liable for all of its obligations under this Agreement. Subject to the preceding sentence, this Agreement shall be binding upon, inure to the benefit of, and be enforceable by, the parties hereto and their respective successors and assigns.

10.10 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 shall continue in full force and effect and shall be interpreted so as reasonably necessary to effect the intent of the parties hereto. The parties hereto shall use all reasonable efforts to replace such void or unenforceable provision of this Agreement with a valid and enforceable provision that shall achieve, to the greatest extent possible, the economic, business and other purposes of such void or unenforceable provision.

10.11 Remedies Cumulative; Specific Performance. Except as otherwise provided herein, including Article IX, any and all remedies herein expressly conferred upon a party hereto shall 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 hereto of any one remedy shall not preclude the exercise of any other remedy and nothing herein shall be deemed a waiver by any party hereto of any right to specific performance or injunctive relief. It is accordingly agreed that, subject to Section 9.2(b), the parties hereto shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof, this being in addition to any other remedy to which they are entitled at law or in equity, and the parties hereto hereby waive the requirement of any posting of a bond in connection with the remedies described herein.

10.12 Arbitration; Submission to Jurisdiction; Consent to Service of Process.

(a) IN THE EVENT THAT A RESOLUTION IS NOT REACHED AMONG THE PARTIES HERETO WITHIN 60 DAYS AFTER WRITTEN NOTICE OF A DISPUTE, THE DISPUTE SHALL BE FINALLY SETTLED BY BINDING ARBITRATION IN SAN FRANCISCO, CALIFORNIA. SUCH ARBITRATION SHALL BE CONDUCTED IN ENGLISH IN ACCORDANCE WITH THE RULES OF THE AMERICAN ARBITRATION ASSOCIATION BY ONE ARBITRATOR APPOINTED IN ACCORDANCE WITH SUCH RULES. THE ARBITRATOR SHALL ALLOW SUCH DISCOVERY AS IS APPROPRIATE TO THE PURPOSES OF ARBITRATION IN ACCOMPLISHING A FAIR, SPEEDY AND COST-EFFECTIVE RESOLUTION OF THE DISPUTE. THE ARBITRATOR SHALL REFERENCE THE FEDERAL RULES OF CIVIL PROCEDURE THEN IN EFFECT IN SETTING THE SCOPE AND TIMING OF DISCOVERY. THE AWARD OF ARBITRATION SHALL BE FINAL AND BINDING UPON THE PARTIES HERETO. THE ARBITRATOR WILL AWARD TO THE PREVAILING PARTY ALL COSTS, FEES AND EXPENSES RELATED TO THE ARBITRATION, INCLUDING REASONABLE FEES AND EXPENSES OF ATTORNEYS, ACCOUNTANTS AND OTHER PROFESSIONALS INCURRED BY THE PREVAILING PARTY, AND JUDGMENT ON THE AWARD RENDERED BY THE ARBITRATOR MAY BE ENTERED IN ANY COURT HAVING JURISDICTION THEREOF.

(b) Subject to the foregoing, the parties hereto hereby irrevocably submit to the exclusive jurisdiction of the courts of the State of California and the Federal courts of the United States of America located in the State of California, the place where this Agreement was entered and is to be performed, in respect of the interpretation and enforcement of the provisions of this Agreement and of the documents referred to herein, and in respect of the Transactions, and hereby waive, and agree not to assert, as a defense in any action, suit or proceeding for the interpretation or enforcement hereof or thereof, that it is not subject thereto or that such action, suit or proceeding may not be brought or is not maintainable in said courts or that the venue thereof may not be appropriate or that this Agreement or any such document may not be enforced in or by such courts, and the parties hereto irrevocably agree that all claims with respect to such action or proceeding shall be heard and determined in such a California State or Federal court. The parties hereto hereby consent to and grant any such court jurisdiction over the person of such parties and over the subject matter of such dispute and agree that mailing of process or other papers in connection with any such action or proceeding in the manner provided in Section 9.2 or in such other manner as may be permitted by Applicable Law, shall be valid and sufficient service thereof. With respect to any particular action, suit or proceeding, venue shall lie solely in the County of San Francisco, California. A party hereto may apply either to a court of competent jurisdiction or to an arbitrator, if one has been appointed, for prejudgment remedies and emergency relief pending final determination of a claim pursuant to this Section 10.12. The appointment of an arbitrator does not preclude a party hereto from seeking prejudgment remedies and emergency relief from a court of competent jurisdiction.

10.13 Governing Law. This Agreement, all acts and transactions pursuant hereto and all obligations of the parties hereto shall be governed by and construed in accordance with the laws of the State of California without reference to such state's principles of conflicts of law that would refer a matter to a different jurisdiction.

10.14 Rules of Construction. The parties hereto have been represented by counsel during the negotiation, preparation and execution of this Agreement and, therefore, hereby waive, with respect to this Agreement, each Schedule and each Exhibit attached hereto, the application of any Applicable Law or rule of construction providing that ambiguities in an agreement or other document shall be construed against the party drafting such agreement or document.

10.15 Ownership of Privilege. The attorney-client privilege, attorney work-product protection, and expectation of client confidence arising from the representation of the Company by Sidley Austin LLP

("***Sidley***") prior to the Closing, and all information and documents covered by such privilege or protection, shall belong to and be controlled by Seller and may be waived only by Seller, and not the Company, and shall not pass to or be claimed or used by Buyer or the Company. Buyer acknowledges that Sidley has acted as counsel for Seller and that, in the event of any post-Closing matters or disputes between the parties hereto, Seller reasonably anticipates that Sidley will represent it in such matters or disputes. Buyer and the Company consent to Sidley's representation of Seller in any post-Closing matter or dispute in which the interests of Buyer or the Company, on the one hand, and Seller, on the other hand, are adverse, whether or not such matter or dispute is substantially related to one in which Sidley may have previously advised the Company

[SIGNATURE PAGE NEXT]

IN WITNESS WHEREOF, Buyer, Seller and the Company have caused this Agreement to be executed and delivered by their respective officers thereunto duly authorized, all as of the date first written above.

EVENTBRITE, INC.

By: /s/ Julia Hartz

Name: Julia Hartz

Title: Chief Executive Officer

PANDORA MEDIA, INC.

By: /s/ Stephen Bené

Name: Stephen Bené

Title: General Counsel and Corporate Secretary

TICKETFLY, LLC

By: /s/ Jeremy Liegl

Name: Jeremy Liegl

Title: Manager

EXHIBIT A

Definitions

As used herein, the following terms shall have the meanings indicated below:

"***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 Buyer), 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 Seller, by any Person or Group of a greater than 10% interest (other than pursuant to (A) the exercise of Company Options or Company Warrants that were outstanding as of the Agreement Date or (B) the Conversion Election) in the total outstanding voting securities of the Company and/or any Subsidiary or any merger, consolidation, business combination or similar transaction involving the Company or any Subsidiary, (ii) any sale, lease, mortgage, pledge, exchange, transfer, license (other than in the ordinary course of business consistent with past practice), acquisition, or disposition of more than 10% of the assets (measured by fair market value) of the Company or any Subsidiary, taken as a whole, in any single transaction or series of related transactions, (iii) any liquidation, dissolution, recapitalization or other significant corporate reorganization of the Company, or any extraordinary dividend, whether of cash or other property or (iv) any other transaction outside of the ordinary course of business consistent with past practice the consummation of which would impede, interfere with, prevent or delay, or would reasonably be expected to impede, interfere with, prevent or delay, the consummation of the Transactions.

"***Affiliate***" means, with respect to any Person, any other Person that directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, such Person, including any general partner, managing member, officer or director of such Person or any venture capital fund now or hereafter existing that is controlled by one or more general partners or managing members of, or shares the same management company with, such Person, in each case as of the date on which, or at any time during the period for which, the determination of affiliation is being made. For purposes of this definition, the term "control" (including the correlative meanings of the terms "controlled by" and "under common control with"), as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of such Person, whether through the ownership of voting securities or by Contract or otherwise.

"***Anti-Corruption Law***" means any Applicable Law relating to anti-bribery or anti-corruption (governmental or commercial), including the Foreign Corrupt Practices Act of 1977, as amended, and any other Applicable Law that prohibits the corrupt payment, offer, promise or authorization of the payment or transfer of anything of value (including gifts or entertainment), directly or indirectly, to any Person, including any Government Official.

"***Applicable Law***" means, with respect to any Person, any U.S. federal, state, provincial, foreign, local, municipal or other law (including common law and civil law), statute, by-law, constitution, legislation, principle of common law, resolution, ordinance, code, edict, decree, rule, directive, license, permit, regulation, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Entity and any Orders applicable to such Person or such Person's Affiliates or to any of their respective assets, properties or businesses.

"***Business***" means the business of the Company as currently conducted.

"***Business Day***" means a day (i) other than Saturday or Sunday and (ii) on which commercial banks are open for business in San Francisco, California.

"***Canadian Multi-Employer Plan***" means Canadian Company Employee Plans to which the Company or a Subsidiary is required to contribute pursuant to a collective agreement, participation agreement, any other agreement or statute or municipal by-law and which are not maintained or administered by the Company or a Subsidiary.

"***Cash Purchase Price***" means $150,000,000 in cash, plus (i) the Closing Net Working Capital Surplus, if any and less (ii) the Closing Net Working Capital Shortfall, if any.

"***Closing Net Working Capital Shortfall***" means the amount, if any, by which the Closing Net Working Capital Target exceeds Company Net Working Capital as set forth in the Company Closing Net Working Capital Certificate.

"***Closing Net Working Capital Surplus***" means the amount, if any, by which the Company Net Working Capital exceeds Closing Net Working Capital Target as set forth in the Company Closing Net Working Capital Certificate.

"***Closing Net Working Capital Target***" means $7,663,915.

"***Code***" means the Internal Revenue Code of 1986, as amended.

"***Company Closing Net Working Capital Certificate***" means a certificate executed by the Chief Financial Officer of the Company dated as of the Closing Date, certifying, as of the Closing, the amount of Company Net Working Capital, including (A) the Company's balance sheet as of the Closing prepared on a consistent basis with the Company Balance Sheet, (B) an itemized list of each element of the Company's consolidated current assets and (C) an itemized list of each element of the Company's consolidated total current liabilities.

"***Company Debt***" means, without duplication: (i) all obligations (including the principal amount thereof or, if applicable, the accreted amount thereof and the amount of accrued and unpaid interest thereon) of the Company and each Subsidiary, whether or not represented by bonds, debentures, notes or other securities (whether or not convertible into any other security), for the repayment of money borrowed, whether owing to banks or financial institutions or otherwise, (ii) all outstanding reimbursement obligations of the Company and each Subsidiary with respect to letters of credit, bankers' acceptances or similar facilities issued for the account of the Company or any Subsidiary, (iii) all obligations of the Company and each Subsidiary under any interest rate swap agreement, forward rate agreement, interest rate cap or collar agreement or other financial agreement or arrangement entered into for the purpose of limiting or managing interest rate risks, (iv) all premiums, penalties, fees, expenses, breakage costs and change of control payments required to be paid or offered in respect of any of the foregoing on prepayment (regardless if any of such are actually paid), as a result of the consummation of the Transactions or in connection with any lender consent, (v) all obligations of the Company and each Subsidiary, including any contingent payments or obligations, pursuant to purchase agreements or merger agreements (other than this Agreement) to which the Company is a party, and (vi) all guaranties, endorsements, assumptions and other contingent obligations of the Company and each Subsidiary in respect of, or to purchase or to otherwise acquire, any of the obligations and other matters of the kind described in any of the clauses (i) through (v) appertaining to third parties.

"***Company Employee***" means each employee of the Company and its Subsidiaries.

"***Company Employee Plan***" means each "employee benefit plan" (as defined in Section 3(3) of ERISA), whether or not such plan is subject to ERISA, and each other plan, policy, agreement or arrangement (whether written or oral) relating to stock options, stock purchases, stock awards, deferred compensation, bonus, severance, retention, employment, change of control, fringe benefits, supplemental benefits, pensions, retirement benefits, or other employee benefits (a) which is sponsored or maintained by the Company or a Subsidiary, or, (b) pursuant to which the Company or any Subsidiary have Liability, but excluding any Canadian statutory plans including the Canada and Quebec Pension Plans and plans administered pursuant to applicable health tax, workplace safety insurance and employment insurance legislation.

"***Company Net Working Capital***" means (i) the Company's consolidated total current assets as of the Closing less (ii) the Company's consolidated total current liabilities as of the Closing, in each case as determined in accordance with GAAP subject to the methodology and exceptions reflected in Schedule A.

"***Company Transaction Documents***" means this Agreement and each other Transaction Document to which the Company is or will be a party.

"***Contract***" means any written or oral legally binding contract, agreement, instrument, commitment or undertaking of any nature (including leases, subleases, licenses, mortgages, notes, guarantees, sublicenses, subcontracts, letters of intent and purchase orders) as of the Agreement Date or as may hereafter be in effect, including all amendments, supplements, exhibits and schedules thereto.

"***Defined Benefit Plans***" means any Company Employee Plan that is a "registered pension plan" as defined in subsection 248(1) of the *Income Tax Act* (Canada) and which contains a "defined benefit provision" as defined in subsection 147.1(1) of the *Income Tax Act* (Canada), excluding any Canadian Multi-Employer Plans.

"***Delaware LLC Act***" means the Limited Liability Company Act of the State of Delaware.

"***DGCL***" means the General Corporation Law of the State of Delaware.

"***Encumbrance***" means, with respect to any asset, any mortgage, easement, encroachment, equitable interest, right of way, deed of trust, lien (statutory or other), pledge, charge, security interest, title retention device, conditional sale or other security arrangement, collateral assignment, claim, community property interest, adverse claim of title, ownership or right to use, right of first refusal, restriction or other encumbrance of any kind in respect of such asset (including any restriction on (i) the voting of any security or the transfer of any security or other asset, (ii) the receipt of any income derived from any asset, (iii) the use of any asset and (iv) the possession, exercise or transfer of any other attribute of ownership of any asset).

"***Environmental, Health and Safety Requirements***" means all Applicable Law concerning or relating to worker/occupational health and safety, or pollution or protection of the environment, including those relating to the presence, use, manufacturing, refining, production, generation, handling, transportation, treatment, recycling, transfer, storage, disposal, distribution, importing, labeling, testing, processing, discharge, release, threatened release, control or other action or failure to act involving cleanup of any hazardous materials, substances or wastes, chemical substances or mixtures, pesticides, pollutants, contaminants, toxic chemicals, petroleum products or byproducts, asbestos, polychlorinated biphenyls, noise or radiation, each as amended and as now in effect.

"***Equity Interests***" means, with respect to any Person, any capital stock of, or other ownership, membership, partnership, joint venture or equity interest in, such Person or any indebtedness, securities, options, warrants, call, subscription or other rights or entitlements of, or granted by, such Person or any of its Affiliates that are convertible into, or are exercisable or exchangeable for, or giving any Person any right or entitlement to acquire any such capital stock or other ownership, partnership, joint venture or equity interest, in all cases, whether vested or unvested.

"***ERISA Affiliate***" means any trade or business (whether or not incorporated) that is treated as a single employer with the Company or any Subsidiary within the meaning of Section 414(b), (c) (m) or (o) of the Code.

"***Exchange Act***" means the Securities Exchange Act of 1934, as amended.

"***Final Net Working Capital***" means the Company Net Working Capital as finally determined pursuant to Section 1.4.

"***GAAP***" means United States generally accepted accounting principles set forth 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, that are applicable to the circumstances of the date of determination, consistently applied.

"***Government Official***" means (i) any official, employee, agent or representative of, or any Person acting in an official capacity for or on behalf of, any Governmental Entity, (ii) any political party, political party official or candidate for political office, (iii) any official, employee, agent or representative of, or any Person acting in an official capacity for or on behalf of, a company, business, enterprise or other entity owned, in whole or in part, or controlled by any Governmental Entity or (iv) any official, employee, agent or representative of, or any Person acting in an official capacity for or on behalf of, a public international organization.

"***Governmental Entity***" means any supranational, national, state, municipal, local or foreign government, any court, tribunal, arbitrator, administrative agency, commission, department, bureau, board or other Government Official, authority or instrumentality, in each case whether domestic or foreign, any stock exchange or similar self-regulatory organization or any quasi-governmental or private body exercising any executive, legislative, judicial, regulatory, Tax Authority or other functions of, or pertaining to, government authority (including any governmental or political division, department, agency, commission, instrumentality, official, organization, unit, body or entity and any court or other tribunal).

"***Group***" has the meaning ascribed to such term under Section 13(d) of the Exchange Act, the rules and regulations thereunder and related case law.

"***HSR Act***" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

"***IRS***" means the United States Internal Revenue Service.

"***Key Employees***" shall mean Andrew Dreskin and Tom Ewald.

"***knowledge***" means, with respect to any fact, circumstance, event or other matter in question, the knowledge of such fact, circumstance, event or other matter after reasonable inquiry of (i) an individual, if used in reference to an individual or (ii) with respect to any Person that is not an individual, the executive officers of such Person, and with respect to the Company, in addition to the executive officers of the Company,

the Key Employees; provided that any executive officer or Key Employee, as applicable, will be deemed to have knowledge of a particular fact, circumstance, event or other matter if such knowledge could be obtained from reasonable inquiry of such executive officer's or Key Employee's direct subordinates or reports.

"***Legal Proceeding***" means any private or governmental action, inquiry, claim, counterclaim, proceeding, suit, hearing, litigation, audit or investigation, in each case whether civil, criminal, administrative, judicial or investigative, or any appeal therefrom.

"***Liabilities***" (and, with correlative meaning, "***Liability***") means all debts, liabilities, commitments and obligations, whether accrued or fixed, absolute or contingent, matured or unmatured, determined or determinable, liquidated or unliquidated, asserted or unasserted, known or unknown, whenever or however arising, including those arising under Applicable Law or any Legal Proceeding or Order of a Governmental Entity and those arising under any Contract, regardless of whether such debt, liability, commitment or obligation would be required to be reflected on a balance sheet prepared in accordance with GAAP or disclosed in the notes thereto.

"***Material Adverse Effect***" with respect to any Person means any change, event, violation, inaccuracy, circumstance or effect (each, an "***Effect***") that, individually or taken together with all other Effects, and regardless of whether such Effect constitutes a failure in the representations or warranties made by, or a breach of the covenants, agreements or obligations of, such Person herein, is, or would reasonably be likely to be or become, materially adverse in relation to the financial condition, assets (including intangible assets), Liabilities, business, operations or results of operations of such Person and its subsidiaries, taken as a whole, except to the extent that any such Effect directly results from: (A) changes in general economic conditions, (B) changes affecting the industry generally in which such Person operates, (C) changes in GAAP, (D) changes in political or social conditions generally, including acts of war, sabotage or terrorism, or military actions, or any escalation or worsening thereof, (E) changes in Applicable Law or regulatory policies, including any rate or tariff, or (F) any actions taken by the Company as required by the terms and conditions of this Agreement or any failure to take any action as a result of the restrictions set forth in this Agreement (and for which Buyer's consent had been requested and refused) or any action taken or not taken at the written direction or request of Buyer; provided that in the case of each of clauses (B)-(E) such Effects do not have a materially disproportionate impact on the Company and its Subsidiaries, taken as a whole, relative to other companies operating in the industries or geographies in which the Company and each of its Subsidiaries operate).

"***Note***" means that certain Convertible Subordinated Promissory Note by and between Buyer and Seller in the principal amount of $50,000,000 dated as of the Closing Date in the form attached hereto as Exhibit E, which principal amount may be adjusted from time to time in accordance with this Agreement.

"***NYSE***" means the New York Stock Exchange or any successor thereto.

"***Order***" means any judgment, writ, decree, stipulation, determination, decision, award, rule, preliminary or permanent injunction, temporary restraining order or other order.

"***Permitted Encumbrances***" means: (i) statutory liens for Taxes that are not yet due and payable or liens for Taxes being contested in good faith by any appropriate proceedings for which adequate reserves have been established in accordance with GAAP, (ii) statutory liens to secure obligations to landlords, lessors or renters under leases or rental agreements, (iii) deposits or pledges made in connection with, or to secure payment of, workers' compensation, unemployment insurance or similar programs mandated by Applicable Law, (iv) statutory liens in favor of carriers, warehousemen, mechanics and materialmen, to secure claims for labor, materials or supplies and other like liens, (v) liens in favor of customs and revenue

authorities arising as a matter of Applicable Law to secure payments of customs duties in connection with the importation of goods, (vi) non-exclusive object code licenses of software by the Company in the ordinary course of business consistent with past practice on its standard unmodified form of end user agreement (a copy of which has been made available to Buyer), (vii) with respect to Company securities, any restriction on transfer imposed by applicable federal and state securities laws and (viii) such imperfections of title and encumbrances, if any, which are not material in character, amount or extend, and which do not materially detract from the value, or materially interfere with the present use, of the property subject thereto or affected thereby.

"***Person***" means any natural person or entity, including a company, corporation, limited liability company, general partnership, limited partnership, limited liability partnership, trust, estate, proprietorship, joint venture, business organization or Governmental Entity (or any department, agency, or political subdivision thereof).

"***Pre-Closing Taxes***" means, any (i) Taxes of the Company or any Subsidiary (including, for the avoidance of doubt, any Sales Taxes) for a Taxable period (or portion thereof) and ending on or prior to the Closing Date, (ii) any Taxes of any other Person for which the Company or any Subsidiary is liable if the agreement, event or occurrence giving rise to such Liability occurred on or before the Closing Date and (iii) Taxes of any member of an affiliated, consolidated, combined or unitary group of which the Company or any Subsidiary of the Company (or any predecessor of the foregoing) is or was a member on or prior to the Closing Date, including pursuant to Treasury Regulations Section 1.1502-6 or any analogous state, local or foreign Applicable Law. For clarity, Pre-Closing Taxes includes any payroll Taxes or other Taxes of the Company or any Subsidiary arising in connection with any payment required pursuant to, or arising as a result of, this Agreement or the Transactions, whether or not such Taxes are due and payable as of the Closing Date. For purposes of this definition, any Straddle Period shall be treated on a "closing of the books" basis as two partial periods, one ending on the day before the Closing Date and the other beginning on the Closing Date; *provided*, however, that with respect to Taxes of the Company or any Subsidiary that are imposed on a periodic basis and that are payable for a Straddle Period, such Taxes shall (y) in the case of property, *ad valorem* or other Taxes that accrue based upon the passage of time, be deemed to be Pre-Closing Taxes in an amount equal to the amount of such Taxes for the entire Taxable period multiplied by a fraction, the numerator of which is the number of days in the Taxable period through and including the day before the Closing Date and the denominator of which is the number of days in the entire Taxable period, and (z) in the case of any other Taxes, be deemed to be Pre-Closing Taxes in an amount equal to the amount of Taxes that would be payable if the relevant Taxable period ended on the day before the Closing Date. For purposes of this definition, any credits relating to a Taxable period that includes (but does not end on) the Closing Date shall be taken into account as though the relevant Taxable period ended on the day before the Closing Date.

"***Purchase Price***" means (A) the Cash Purchase Price plus (B) the Note.

"***Representatives***" means, with respect to a Person, such Person's officers, directors, Affiliates, stockholders or employees, or any investment banker, attorney, accountant, auditor or other advisor or representative retained by any of them.

"***Required Amount***" means an amount of sufficient funds to pay the Purchase Price (and any repayment or refinancing of debt contemplated by the Financing Commitments) and any other amounts required to be paid by Buyer in connection with the consummation of the Transactions, and to pay all related fees and expenses of Buyer.

"***Sales Taxes***" means any (i) sales, use, excise, admissions, amusements, entertainment or other transaction-based Taxes, regardless of how such Taxes are named or referred to, or (ii) gross receipts, gross income, business and occupations or other Taxes on gross income or gross receipts without allowance for deduction of expenses, in each case imposed on, or required to be collected in respect of the sale of tickets through the Company or TCSI platform, whether imposed on the face value of the ticket, the service fees or other fees charged or collected (including fees payable to the Company, TCSI, its customers, event promoters or any other Person) or otherwise.

"***Sales Tax Expenses***" means any fees, expenses, or other costs incurred by Buyer, the Company, TCSI or their Affiliates to determine, calculate, analyze, report, defend against or recover any (i) sales, use, excise, admissions, amusements, entertainment or other transaction-based Taxes, regardless of how such Taxes are named or referred to, or (ii) gross receipts, gross income, business and occupations or other Taxes on gross income or gross receipts without allowance for deduction of expenses, in each case imposed on, or required to be collected in respect of the sale of tickets through the Company or TCSI platform, whether imposed on the face value of the ticket, the service fees or other fees charged or collected (including fees payable to the Company, TCSI, its customers, event promoters or any other Person) or otherwise. For the avoidance of doubt, Sales Tax Expenses shall include expenses and other costs due with respect to, and/or incurred in connection with, the Voluntary Disclosure Filings.

"***Securities Act***" means the Securities Act of 1933, as amended.

"***Straddle Period***" means any Taxable period beginning before the Closing Date and ending on or after the Closing Date.

"***Subsidiary***" means any corporation, partnership, limited liability company or other Person of which the Company, either alone or together with one or more Subsidiaries or by one or more other Subsidiaries (i) directly or indirectly owns or purports to own, beneficially or of record securities or other interests representing more than 50% of the outstanding equity, voting power, or financial interests of such Person or (ii) is entitled, by Contract or otherwise, to elect, appoint or designate directors constituting a majority of the members of such Person's board of directors or other governing body.

"***Tax***" (and, with correlative meaning, "***Taxes***" and "***Taxable***") means (i) any net income, alternative or add-on minimum tax, gross income, estimated, gross receipts, sales, use, ad valorem, value added, transfer, franchise, fringe benefit, capital stock, profits, license, registration, withholding, payroll, social security (or equivalent), employment, unemployment, disability, excise, severance, stamp, occupation, premium, property (real, tangible or intangible), environmental or windfall profit tax, custom duty or other tax, governmental fee or other like assessment or charge of any kind whatsoever, together with any interest or any penalty, addition to tax or additional amount (whether disputed or not) imposed by any Governmental Entity responsible for the imposition of any such tax (domestic or foreign) (each, a "***Tax Authority***"), (ii) any Liability for the payment of any amounts of the type described in clause (i) of this sentence as a result of being a member of an affiliated, consolidated, combined, unitary or aggregate group for any Taxable period and (iii) any Liability for the payment of any amounts of the type described in clause (i) or (ii) of this sentence as a result of being a transferee of or successor to any Person or as a result of any express obligation to assume such Taxes or to indemnify any other Person.

"***Tax Authority***" means any applicable Governmental Entity responsible for the imposition of Taxes.

"***Tax Return***" means any return, statement, report or form (including any informational return, claim for refund, amended return or declaration of estimated Tax) or other information filed or supplied or required to be filed or supplied to a Tax Authority with respect to Taxes.

"***TCSI***" means TicketFly Canada Services, Inc., a British Columbia corporation and a wholly owned Subsidiary of the Company.

"***Trademark Assignment Agreement***" means that certain Trademark Assignment Agreement executed by Seller and the Company dated as of the Closing Date in substantially the form attached as Exhibit F hereto.

"***Transaction***" means the transactions contemplated by this Agreement and the Transaction Documents.

"***Transaction Document***" means, collectively, this Agreement and each other agreement or document referred to in this Agreement or to be executed in connection with any of the Transactions.

Other capitalized terms used herein and not defined in this Exhibit A shall have the meanings assigned to such terms as set forth in this Agreement.

SiriusXM to Make $480 Million Strategic Investment in Pandora

Investment to Provide Pandora Capital to Unlock Full Value

NEW YORK and OAKLAND, Calif., June 9, 2017 /PRNewswire/ -- SiriusXM (NASDAQ: SIRI) and Pandora (NYSE: P) today announced an agreement under which SiriusXM will make a $480 million strategic cash investment in Pandora.

Under the terms of the agreement, a subsidiary of SiriusXM will purchase an aggregate of $480 million in newly issued Series A convertible preferred stock of Pandora. SiriusXM purchased $172.5 million of Series A preferred stock upon execution of the agreement and has agreed to purchase the balance of the Series A preferred stock at a second closing. The Series A preferred stock will represent a stake of 19% of Pandora's currently outstanding common stock and a 16% stake on an as-converted basis.

The Series A preferred stock is convertible into common stock at a purchase price of $10.50 per share. The conversion price of the Series A preferred stock is approximately a 14.2% premium to Pandora's volume weighted average price for the 20-day period preceding June 9, 2017. The Series A preferred stock will bear a 6% cumulative dividend, payable in cash, accretion of the Series A preferred stock or a combination thereof.

Through this agreement, SiriusXM is making a strategic investment in the leading U.S. provider of ad-supported digital radio. With a loyal quarterly audience of nearly 100 million listeners in the U.S., Pandora is by far the leading player in the burgeoning digital audio advertising market. The capital provided through the SiriusXM investment will allow Pandora to make targeted investments and capitalize on opportunities to build on its position in the streaming radio business.

Jim Meyer, Chief Executive Officer of SiriusXM, said, "This strategic investment in Pandora represents a unique opportunity for SiriusXM to create value for its stockholders by investing in the leader in the ad-supported digital radio business, a space where SiriusXM does not play today. Pandora's large user base and its ability to provide listeners with a personalized music experience are tremendous assets. With its strong technology and new product offerings, we believe there are exciting opportunities for Pandora to accelerate its growth and increase value for Pandora and SiriusXM stockholders."

"Liberty Media has long recognized the strength of the Pandora brand and the opportunities in the ad-supported digital radio market," said Greg Maffei, Chairman of the SiriusXM Board of

Directors and Chief Executive Officer of Liberty Media Corporation. "We are very supportive of SiriusXM's strategic investment."

When the transaction closes, three individuals designated by SiriusXM will be named to the Pandora Board of Directors. One of those individuals will serve as Chairman and SiriusXM designated directors will serve as select Board committee representatives. With these appointments, the Pandora Board will be expanded to consist of nine directors.

"Pandora's Board and management team are committed to driving stockholder value and have carefully evaluated alternative strategies as part of the process disclosed on May 8," said Tim Leiweke, member of Pandora's Board of Directors. "We are pleased that the conclusion of that process resulted in a major investment by SiriusXM. With this investment, we have the backing of one of the media industry's most successful investors and significant capital to accelerate growth. Pandora is now poised to advance to the next stage of the company's lifecycle. Lastly, this transaction ensures that Pandora stockholders get the benefit of additional capital from an important strategic investor who can help enhance stockholder value."

"The investment from SiriusXM infuses resources to help Pandora continue to grow and innovate," said Pandora CEO and founder Tim Westergren. "With the strategic review behind us, and a strong balance sheet, we look forward to focusing on business execution and the optimization of our strategy."

In connection with the transaction, Pandora agreed with an affiliate of Kohlberg Kravis & Roberts to terminate their Investment Agreement announced on May 8, 2017, and pay KKR a termination fee of $22.5 million.

Pandora is required to redeem the Series A preferred stock on the fifth anniversary of the closing for an amount equal to its liquidation preference plus all accrued and unpaid dividends. Pandora can also redeem the Series A preferred stock at any time after the third anniversary of the closing if the daily volume weighted average price of Pandora's common stock is greater than or equal to 175% of the then applicable conversion price for a period of at least 20 days during a 30 day trading window prior to the notice of redemption.

SiriusXM will be subject to certain standstill restrictions, including, among other things, that it will be restricted from acquiring additional securities of Pandora for 18 months. After that period and for so long as a director designated by it is serving on the Board of Directors, SiriusXM has agreed not to acquire more than 31.5% of Pandora's equity securities without the approval of Pandora's Board of Directors.

The second closing contemplated by the agreement is subject to customary closing conditions, including antitrust approval, and is expected to close by the fourth quarter. The agreement may be terminated by either party if closing has not occurred by February 1, 2018.

Additional information relating to the SiriusXM investment may be found in the Form 8-K that will be filed by Pandora with the U.S. Securities and Exchange Commission.

Allen & Company LLC and BofA Merrill Lynch are serving as financial advisors to SiriusXM and Jones Day and Simpson Thacher & Bartlett LLP are serving as its legal counsel. Centerview Partners LLC and Morgan Stanley & Co. LLC are serving as financial advisors to Pandora and Sidley Austin LLP and Wachtell, Lipton, Rosen & Katz are acting as legal counsel.

About SiriusXM

Sirius XM Holdings Inc. (NASDAQ: SIRI) is the world's largest radio company measured by revenue and has approximately 31.6 million subscribers. SiriusXM creates and offers commercial-free music; premier sports talk and live events; comedy; news; exclusive talk and entertainment, and a wide-range of Latin music, sports and talk programming. SiriusXM is available in vehicles from every major car company and on smartphones and other connected devices as well as online at siriusxm.com. SiriusXM radios and accessories are available from retailers nationwide and online at SiriusXM. SiriusXM also provides premium traffic, weather, data and information services for subscribers through SiriusXM Traffic™, SiriusXM Travel Link, NavTraffic®, NavWeather™. SiriusXM delivers weather, data and information services to aircraft and boats through SiriusXM Aviation™ and SiriusXM Marine™. In addition, SiriusXM Music for Business provides commercial-free music to a variety of businesses. SiriusXM holds a minority interest in SiriusXM Canada which has approximately 2.8 million subscribers. SiriusXM is also a leading provider of connected vehicles services, giving customers access to a suite of safety, security, and convenience services including automatic crash notification, stolen vehicle recovery assistance, enhanced roadside assistance and turn-by-turn navigation.

To download SiriusXM logos and artwork, visit http://www.siriusxm.com/LogosAndPhotos.

This communication contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements about future financial and operating results, our plans, objectives, expectations and intentions with respect to future operations, products and services; and other statements identified by words such as "will likely result," "are expected to," "will continue," "is anticipated," "estimated," "believe," "intend," "plan," "projection," "outlook" or words of similar meaning. Such forward-looking statements are based upon the current beliefs and expectations of our management and are inherently subject to significant business, economic and competitive

uncertainties and contingencies, many of which are difficult to predict and generally beyond our control. Actual results and the timing of events may differ materially from the results anticipated in these forward-looking statements.

The following factors, among others, could cause actual results and the timing of events to differ materially from the anticipated results or other expectations expressed in the forward-looking statements: our substantial competition, which is likely to increase over time; our ability to attract and retain subscribers, which is uncertain; interference to our service from wireless operations; consumer protection laws and their enforcement; unfavorable outcomes of pending or future litigation; the market for music rights, which is changing and subject to uncertainties; our dependence upon the auto industry; general economic conditions; the security of the personal information about our customers; existing or future government laws and regulations could harm our business; failure of our satellites would significantly damage our business; the interruption or failure of our information technology and communications systems; our failure to realize benefits of acquisitions or other strategic initiatives; rapid technological and industry changes; failure of third parties to perform; our failure to comply with FCC requirements; modifications to our business plan; our indebtedness; our principal stockholder has significant influence over our affairs and over actions requiring stockholder approval and its interests may differ from interests of other holders of our common stock; impairment of our business by third-party intellectual property rights; and changes to our dividend policies which could occur at any time. Additional factors that could cause our results to differ materially from those described in the forward-looking statements can be found in our Annual Report on Form 10-K for the year ended December 31, 2016, which is filed with the Securities and Exchange Commission (the "SEC") and available at the SEC's Internet site (http://www.sec.gov). The information set forth herein speaks only as of the date hereof, and we disclaim any intention or obligation to update any forward looking statements as a result of developments occurring after the date of this communication.

About Pandora

Pandora is the world's most powerful music discovery platform - a place where artists find their fans and listeners find music they love. We are driven by a single purpose: unleashing the infinite power of music by connecting artists and fans, whether through earbuds, car speakers, live on stage or anywhere fans want to experience it. Our team of highly trained musicologists analyze hundreds of attributes for each recording which powers our proprietary Music Genome Project®, delivering billions of hours of personalized music tailored to the tastes of each music listener, full of discovery, making artist/fan connections at unprecedented scale. Founded by musicians, Pandora empowers artists with valuable data and tools to help grow their careers and connect with their fans.

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The financial information contained in this press release should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's most recent reports on Form 10-K and Form 10-Q, each as they may be amended from time to time. The Company's results of operations for the current period are not necessarily indicative of the Company's operating results for any future periods.

These documents are available online from the SEC or on the SEC Filings section of the Investor Relations section of our website at investor.pandora.com. Information on our website is not part of this release. All forward-looking statements in this press release are based on information currently available to the Company, which assumes no obligation to update these forward-looking statements in light of new information or future events.

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Eventbrite Enters into Agreement with Pandora to Acquire Ticketfly

Leading global event technology platform joining forces with music ticketing pioneer Ticketfly to deliver superior technology, ticketing and marketing services to live music market

SAN FRANCISCO, CA--(Marketwired - June 09, 2017) - Eventbrite, the world's leading ticketing and event technology platform which powers nearly three million events each year, has entered into an agreement with Pandora (NYSE: P) to acquire Ticketfly, a leading ticketing platform focused on music promoters and venues, for $200 million. Additionally, Eventbrite and Pandora plan to enter into a future distribution agreement to extend the benefits already proven out with the Pandora and Ticketfly integration.

Eventbrite has spent a decade building the largest global platform for live experiences and is on track to process close to 200 million tickets worth $3 billion in gross ticket sales in 180 countries in 2017. Both Eventbrite and Ticketfly have proven themselves to be valuable partners to the live music industry: Eventbrite has ticketed more than 175,000 concerts and music festivals helping them sell more than $1 billion in tickets since inception; and Ticketfly currently works with over 1,800 of the top music promoters and venues across North America, supporting 100,000 events per year which generate $600 million in gross ticket sales. The acquisition brings together Eventbrite's momentum in music, global scale, and expertise in event technology with Ticketfly's marketing excellence and strong track record of success in music.

"The whole is greater than the sum of its parts, and we see immense alignment and opportunity with this union, especially as we continue to expand Eventbrite's global footprint in music," said Julia Hartz, CEO and co-founder of Eventbrite. "Together with Ticketfly, we will focus our collective energy on further developing our unparalleled solution and superior services for indie music venues and promoters around the world."

Ticketfly's co-founder and CEO Andrew Dreskin will lead Eventbrite's music efforts. "We are happy to be joining forces with our friends at Eventbrite," said Dreskin. "Ticketfly and Eventbrite are the two most progressive live events technology companies out there, and together we will create a transformational platform that will be game-changing for independent venues and promoters. We plan to build on the great work that Ticketfly and Pandora have done and offer the benefits of that partnership to Eventbrite's customers, delivering even more live event notifications to Pandora listeners."

"The combination of Ticketfly and Pandora proved our thesis that listeners want easy access to live events, and that we have the ability to promote and sell tickets at scale in a highly targeted way," said Tim Westergren, CEO and founder of Pandora. "We look forward to expanding the opportunity to bring fans and artists together through our continued partnership with Eventbrite and Ticketfly."

The acquisition announcement follows Eventbrite's acquisition earlier this year of leading European ticketing company Ticketscript, and builds upon the tremendous traction the company has experienced in music since the launch of Eventbrite Venue, the first fully integrated booking, operations and ticketing solution for live music venues.

About Eventbrite:
Eventbrite is the world's leading event technology platform. The company has processed more than $8 billion in gross ticket sales since inception and powers nearly three million events each year. Hundreds of thousands of organizers use Eventbrite to boost ticket sales, promote and manage events, handle onsite operations, and analyze results across multiple sales channels. Customers include Tribeca Film Festival, Newport Folk and Jazz Festivals, Maker Faire, Wanderlust, and many more. Eventbrite's capabilities are enhanced by Eventbrite Spectrum, the company's open API platform, which provides seamless access to more than 170 industry-leading technologies like Salesforce and Mailchimp. Additionally, over 50 million consumers use Eventbrite every year to discover a variety of live experiences and get tickets on a secure, easy-to-use platform. Investors include Sequoia Capital, Tiger Global and T. Rowe Price. Learn more at www.eventbrite.com.

About Ticketfly:
Ticketfly is a San-Francisco based technology company delivering a leading platform for connecting fans with live events. Its powerful ticketing, digital marketing, and analytics software helps promoters sell more tickets, streamline operations, and increase revenue, while its consumer tools make it easy for fans to find and purchase tickets to great events across North America. Since 2008, 1,800 leading venues and promoters have partnered with Ticketfly, including Merriweather Post Pavilion, Bowery Ballroom, the Brooklyn Bowl, Central Park SummerStage, Pitchfork Music Festival, and The Troubadour. Ticketfly is led by Andrew Dreskin, co-founder of TicketWeb, the first company to ever sell tickets online. Ticketfly process more than half a billion dollars in ticket sales annually, and has twice been named one of Fast Company's "Most Innovative Companies in Music."
Image Available: http://www.marketwire.com/library/MwGo/2017/6/8/11G140740/Images/Eventbrite-Ticketfly_combined_logo-square-9beb9847d56d8a3f9784b74c54c778b3.jpg

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Pandora Strengthens Balance Sheet and Sharpens Focus on Core Priorities

Announces strategic investment from SiriusXM and sale of Ticketfly; Strategic Review Complete

June 09, 2017 09:20 AM Eastern Daylight Time

OAKLAND, Calif.--(BUSINESS WIRE)--Pandora (NYSE: P), the go-to music source for fans and artists, announced two important transactions at the conclusion of the strategic review the company disclosed on May 8, 2017. Driven by a focus on optimizing shareholder value, the company secured an agreement from SiriusXM to make a $480 million investment in the company and announced its sale of Ticketfly to Eventbrite for $200 million. In combination, these transactions arm the company with a strong balance sheet, sharpen operational focus, and strengthen the company's board of directors.

"This is a very significant juncture in Pandora's journey," said Tim Westergren, Pandora's CEO and founder. "After years of innovation and hard work we now have critical pieces in place: A massive and highly engaged audience, a market-leading digital advertising business, a best-in-class product portfolio, and a robust balance sheet that gives us the flexibility we need to attack what is becoming a larger and larger opportunity as digital music enters a new golden age."

"With a loyal quarterly audience of nearly 100 million Americans, Pandora is a powerhouse in the music ecosystem and by far the leading player in the growing world of digital audio advertising -- a category we believe is becoming increasingly prevalent in a world with young, hyper-mobile, multitasking consumers, and with a proliferation of connected devices with little or no user interface."

"Pandora is now poised to advance to the next stage of the company's lifecycle," said Pandora Director, Tim Leiweke. "We are pleased that the conclusion of our strategic review resulted in a major investment by a world class company like SiriusXM, and with the sale of Ticketfly, we will now redouble our focus on execution supported by a strong balance sheet."

With its highly successful personalized radio service, Pandora is well positioned to create a hybrid advertising/subscription model that can achieve success where others in the subscription music category may have struggled. Underpinning all of this, of course, Pandora's offerings remain the gold standard for a truly personalized music listening experience.

Ticketfly Sale Agreement

Pandora also announced that it has entered into a definitive agreement under which Eventbrite will acquire Pandora's Ticketfly business for $200 million, funded through a combination of $150 million cash and a $50 million note payable to Pandora. In connection with the closing, Pandora and Eventbrite expect to enter into a commercial agreement that allows Pandora to substantially broaden the scale of its ticketing opportunities. Pandora believes that this type of commercial agreement is the best approach to ticketing, leveraging audience scale and targeting while minimizing the operational commitment. We expect to close the Ticketfly transaction in the third quarter of 2017.

Affirming Guidance

Based on information available as of June 8, 2017 the Company is reiterating and affirming the financial guidance provided on the Q1 conference call on May 8, 2017. The guidance indicated that second quarter revenue is expected to be in the range of $360 million to $375 million and Adjusted EBITDA loss is expected to be in the range of $65 million to $50 million. Pandora reiterated that it expects full-year revenue in the range of $1.50 billion to $1.65 billion, prior to any adjustment for the sale of Ticketfly. The reconciliation of our adjusted EBITDA guidance to GAAP is contained in our Q117 financial results press release from May 8, 2017.

Additional information relating to the SiriusXM investment and the Ticketfly sale may be found in the applicable Form 8-K that will be filed by Pandora with the U.S. Securities and Exchange Commission.

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