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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

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**FORM 10-K**

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**(Mark One)**

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the fiscal year ended **December 31, 2018**

**OR**

TRANSITION PERIOD PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
**FOR THE TRANSITION PERIOD FROM TO**  
**Commission File Number: 001-33584**

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**DHI Group, Inc.**

(Exact name of Registrant as specified in its Charter)

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**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**1450 Broadway, 29<sup>th</sup> Floor**  
**New York, New York**  
(Address of principal executive offices)

**20-3179218**  
(I.R.S. Employer  
Identification No.)

**10018**  
(Zip Code)

**(212) 725-6550**  
(Registrant's telephone number, including area code)  
Securities registered pursuant to Section 12(b) of the Act:

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Title of each class	Name of exchange on which registered
<b>Common Stock, par value \$0.01 per share</b>	<b>New York Stock Exchange</b>

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

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

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

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

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

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

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

**Large accelerated filer**  **Accelerated filer**  **Non-accelerated filer**  **Smaller Reporting Company**   
**Emerging Growth Company**

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

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

The aggregate market value of common stock held by non-affiliates of the registrant was approximately \$124,000,000 as of June 29, 2018, the last business day of the registrant’s second fiscal quarter of 2018.

As of February 1, 2019, there were 53,193,270 shares of the registrant’s common stock, par value \$.01 per share, outstanding.

**DOCUMENTS INCORPORATED BY REFERENCE**

Part III incorporates information from certain portions of the registrant’s definitive proxy statement to be filed with the Securities and Exchange Commission within 120 days after the fiscal year end of December 31, 2018 .

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## NOTE CONCERNING FORWARD-LOOKING STATEMENTS

Information contained herein contains forward-looking statements. You should not place undue reliance on those statements because they are subject to numerous uncertainties and factors relating to our operations and business environment, all of which are difficult to predict and many of which are beyond our control. Forward-looking statements include information concerning our possible or assumed future results of operations, and descriptions of our business strategy. These statements often include words such as “may,” “will,” “should,” “believe,” “expect,” “anticipate,” “intend,” “plan,” “estimate” or similar expressions. These statements are based on assumptions that we have made in light of our experience in the industry as well as our perceptions of historical trends, current conditions, expected future developments and other factors we believe are appropriate under the circumstances. Although we believe that these forward-looking statements are based on reasonable assumptions, you should be aware that many factors could affect our actual financial results or results of operations and could cause actual results to differ materially from those in the forward-looking statements. These factors include, but are not limited to:

- a review of strategic alternatives may occur from time to time and the possibility that such review will not result in a transaction;
- disruption resulting from unsolicited offers to purchase the company;
- our ability to execute our tech-focused strategy;
- loss of key executives and technical personnel and our ability to attract and retain key executives, including our CEO;
- increases in the unemployment rate, cyclical downturns in the United States or worldwide economy or the industries we serve, labor shortages, or job shortages;
- competition from existing and future competitors;
- changes in the recruiting and career services business and technologies, and the development of new products and services;
- decreases or delays in business-to-business technology advertising spending could harm our ability to generate advertising revenue;
- failure to develop and maintain our reputation and brand recognition;
- failure to increase or maintain the number of customers who purchase recruitment packages;
- failure to attract qualified professionals or grow the number of qualified professionals who use our websites;
- failure to timely and efficiently scale and adapt our existing technology and network infrastructure;
- capacity constraints, systems failures or breaches of network security;
- compliance with laws and regulations concerning collection, storage and use of professionals’ professional and personal information;
- our indebtedness;
- inability to borrow funds under our Credit Agreement (as defined below) or refinance our debt;
- results of operations fluctuate on a quarterly and annual basis;
- periods of operating and net losses and history of bankruptcy;
- covenants in our Credit Agreement;
- inability to successfully integrate recent and future acquisitions or identify and consummate future acquisitions;
- misappropriation or misuse of our intellectual property, claims against us for intellectual property infringement or the failure to enforce our ownership or use of intellectual property;
- compliance with changing corporate governance requirements and costs incurred in connection with being a public company;
- compliance with the continued listing standards of the New York Stock Exchange (the “NYSE”);
- volatility in our stock price;
- failure to maintain internal controls over financial reporting;
- U.S. and foreign government regulation of the internet and taxation;
- changes in foreign currency exchange rates;
- failure to realize the full potential of our network;
- decrease in user engagement;
- failure to halt the operations of websites that aggregate our data, as well as data from other companies;
- failure of our businesses to attract, retain and engage users;
- our foreign operations;
- inability to expand into international markets;
- unfavorable decisions in proceedings related to future tax assessments;
- taxation risks in various jurisdictions for past or future sales;
- write-offs of goodwill, tradename and intangible assets;
- significant downturn not immediately reflected in our operating results; and
- the UK’s impending departure from the EU.

**NON-GAAP FINANCIAL MEASURES**

Information contained herein contains certain non-GAAP financial measures. These measures are not in accordance with, or an alternative for, generally accepted accounting principles in the United States (“GAAP”). Such measures presented herein include adjusted earnings before interest, taxes, depreciation, amortization, non-cash stock based compensation expense, impairment, gain or loss on sale of business, and other income or expense (“Adjusted EBITDA”), and Adjusted EBITDA Margin. See Item 7 “Management’s Discussion and Analysis of Financial Condition and Results of Operations” for definitions of these measures as well as reconciliations to the comparable GAAP measure.

**PART I****Item 1. Business****Information Availability**

Our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, proxy and information statements and other material information concerning us are available free of charge on the Investors page of our website at [www.dhigroupinc.com](http://www.dhigroupinc.com). Our reports filed with the SEC are also available by visiting <http://www.sec.gov>.

**Introduction and Summary**

This section provides an overview of DHI Group, Inc. (“Company” or “DHI”). Please see our consolidated financial statements included elsewhere in this report for additional discussion regarding our results of operations for the year ended December 31, 2018.

(in thousands)	FY 2018	FY 2017	Change
<b>Revenues</b>	\$ 161,570	\$ 207,950	(22)%
<b>Operating income <sup>(1)</sup></b>	\$ 11,692	\$ 22,865	(49)%
<b>Income before income taxes</b>	\$ 9,602	\$ 19,397	(50)%
<b>Net income <sup>(2)</sup></b>	\$ 7,174	\$ 15,978	(55)%
<b>Diluted earnings per share <sup>(2)</sup></b>	\$ 0.14	\$ 0.33	(58)%
<b>Net cash provided by operating activities</b>	\$ 14,918	\$ 34,409	(57)%
Adjusted Revenues <sup>(3)</sup>	\$ 152,258	\$ 158,465	(4)%
Adjusted EBITDA <sup>(3)</sup>	\$ 32,032	\$ 36,973	(13)%
Adjusted EBITDA Margin <sup>(3)</sup>	21%	23%	n.m.

(1) Operating income for the year ended December 31, 2018 includes gain of \$3.4 million related to the sales of Rigzone and Hcareers and includes disposition related and other costs of \$7.6 million. Operating income for the year ended December 31, 2017 includes a gain of \$6.7 million related to the sale of the Health eCareers business, proceeds from restitution award of \$3.3 million in the OilPro related legal matter, disposition related and other costs of \$4.7 million and impairment of fixed assets of \$2.2 million.

(2) Net income and diluted earnings per share for the year ended December 31, 2018 includes \$4.7 million, net of tax, and \$0.09 per share related to the items identified in number 1 above as well as the impact of certain discrete tax items. Net income and diluted earnings per share for the year ended December 31, 2017 includes income of \$4.5 million, net of tax, and \$0.09 per share related to the items identified in number 1 above as well as the impact of certain discrete tax items.

(3) For a description of these non-GAAP measures and reasons why management believes they provide useful information to investors, please see “Management’s Discussion and Analysis of Financial Condition and Results of Operations, Liquidity and Capital Resources, and Non-GAAP Measures” located elsewhere in this report.

# 2018 Highlights



In 2018, we made significant changes to the Company, contributing to improving trends to the financials of the business and a streamlined focus on delivering tools to recruit technology professionals. We divested non-core businesses and closed the underperforming Dice Europe business and satellite offices to allocate resources behind priority initiatives. With the hiring of Art Zeile as CEO and other key functional leaders, the Company was poised to accomplish the following objectives:

- Return the company to growth and improved profitability.**
- Execute tech-focused strategy and create efficiencies in the business.**
- Innovate through products, services and insights, creating meaningful employment connections.**
- Operate with functional excellence.**
- Continue to build a highly engaged and motivated team at DII and create opportunities for employees.**

Refinanced the revolving credit facility, further optimizing and extending the Company's capital structure following the completion of the divestiture process.

ClearanceJobs hit a record number of active job postings and sustained strong revenue growth.

Stabilized ongoing tech-focused business financials including achieving flat revenue in Q4 and improving profitability through efficient prioritization.

Completed the divestiture of remaining non-tech businesses (BioSpace, Healthcare and Rigzone), allowing for greater focus on the Company's tech strategy and reallocation of resources on priority projects.

Closed Dice Europe business to align talent and resources to focus on investing in eFinancialCareers initiatives.

Dice launched TalentSearch, a machine learning and artificial intelligence platform, the biggest upgrade to its employer search capabilities in years and foundational infrastructure for multiple new products set to launch in 2019.

Dice rolled out real-time salary tools leveraging predictive analysis to help tech professionals and employers discover tailored salary estimates based on skills, job titles, years of experience and location.

eFinancialCareers new job search platform launched in 18 countries, offering candidates a better job search and match experience including tailored content, ultimately driving an up-tick in job views on the site.

ClearanceJobs Next Generation platform launched, creating more efficient opportunities for employers to connect with professionals who have active government security clearances.

Hired key executive roles including a new Chief Executive Officer, Chief Product Officer and Chief Marketing Officer, supplementing and strengthening the leadership of the Company.

Built dedicated sales channels focused on customer segmentation and unified under a single global sales organization.

Recreated and implemented the Company's key values and purpose statement from a cross-functional and cross-organizational employee-led team.



## Company Profile

DHI was incorporated in Delaware on June 28, 2005 and is a leading provider of data, insights and employment connections through specialized services for technology professionals. Our mission is to empower technology professionals and organizations that hire them to compete and win through expert insights and relevant employment connections by delivering three key value propositions:

- Providing the best search and match solution for recruiters and employers;
- Delivering the most relevant technology career related content; and
- Aggregating and analyzing workforce intelligence data to deliver specialized insights.

The majority of our revenues today are generated through the sale of recruitment packages, which allow customers to post jobs on our websites and source candidates through our resume databases. Recruitment packages are typically provided through contractual arrangements with annual, quarterly or monthly terms.

## Our Products and Services

We help organizations find the best talent, and we help technology professionals find the best jobs and advance their careers. We do this through a number of products individually or bundled in packages, including:

- **Resume databases.** Each of our brands provides powerful, detailed searches of a large number of candidate resumes, bolstered with social data at Dice. Showing customers relevant talent makes their recruiting efforts more efficient.
- **Job postings.** Our job collections are focused on specific verticals tailored to technology, making it easier for tech professionals to search for relevant jobs. In turn, the applications received by our customers are more likely to be relevant and qualified compared to applications received from generalist sites. Thus, showing professionals the right job postings benefits both the talent and the recruiting organization.
- **Unified Profile Index.** The Unified Profile Index is a proprietary and unique index which gathers information about candidates from a large collection of social and web sources, combining that information with Dice's owned and licensed data. The UPI allows our customers to build broader pools of talent from across the web, giving them deeper career insights into the talent they discover.
- **Content and data.** Each of our brands provides tailored content to help professionals manage their careers and provide employers insight into recruiting strategies and trends.

## Industry and Skill Focused Brands

During 2018 we offered our talent acquisition and career development products and tools through the following key brands:

Service	Yrs. in Operation	Specialized Focus	Primary Source of Revenues
Dice	28	Technology and engineering in the U.S.	Recruitment packages <sup>1</sup>
Dice Europe <sup>2</sup>	16	Technology and engineering in the U.K. and Germany	Job postings and advertising
ClearanceJobs	16	Security-cleared professionals	Recruitment packages <sup>1</sup>
Targeted Job Fairs	30	Technology, energy and security-cleared professionals	Career fairs and open houses
eFinancialCareers	18	Financial services	Recruitment packages <sup>1</sup> and job postings
Rigzone <sup>3</sup>	20	Oil and gas	Recruitment packages <sup>1</sup> and advertising
BioSpace <sup>4</sup>	33	Biotechnology	Job postings and advertising
Hcareers <sup>5</sup>	21	Hospitality	Job postings

<sup>1</sup> Recruitment packages are a combination of job postings and access to our searchable database of candidates.

<sup>2</sup> Dice Europe ceased operations on August 31, 2018.

<sup>3</sup> Rigzone sold the RigLogix portion of the Rigzone business on February 20, 2018 and DHI transferred majority ownership of remaining Rigzone business to Rigzone management August 31, 2018.

<sup>4</sup> Transferred majority ownership of BioSpace on January 31, 2018 to BioSpace management.

<sup>5</sup> Hcareers was sold May 22, 2018.



**Dice** has been a go-to destination for technology and engineering talent in the United States for the past 28 years. The job postings available on Dice, from both technology and non-technology companies across many industries, include positions for software engineers, big data professionals, systems administrators, database specialists, project managers, and a variety of other technology and engineering professionals. Dice had approximately 78,000 job postings as of December 31, 2018. During 2018, Dice in North America had on average approximately 1.4 million monthly users.

Customers can purchase recruitment packages, job postings or advertisements. Approximately 91% of Dice revenue was derived from recruitment packages in 2018. Recruitment packages, including utilizing Unified Profile Index, offer our customers the ability to access the candidate resume database and post up to a specified number of jobs at a single time. Customers are incentivized to purchase our recruitment packages on an annual basis.

Professionals can post their resumes, search jobs and access our career-related content, news and tools. Skill Center, a tool implemented by Dice, uses data aggregated from across the web to show skill trends, giving professionals insights into potential skills gaps and development areas. Salary Predictor and Salary Calculator offer real-time salary tools leveraging predictive analysis to help tech professionals and employers discover tailored salary estimates based on skills, job titles, years of experience and location.

Dice entered the European market in 2013 through the acquisition of The IT Job Board, a technology career site for the UK and Continental Europe. In 2015, we rebranded The IT Job Board to Dice Europe, which ceased operations on August 31, 2018.

**ClearanceJobs** is a leading Internet-based career network dedicated to matching security-cleared professionals with the best hiring companies searching for employees. Authorized U.S. government contractors, federal agencies, national laboratories and universities utilize The Cleared Network to quickly and easily find candidates with specific, active security clearance requirements to fill open jobs in a range of disciplines. The majority of candidates with resumes in our database have high-level security clearance. ClearanceJobs had approximately 48,000 job postings as of December 31, 2018. During 2018, ClearanceJobs had on average 556,000 unique monthly users.

**eFinancialCareers** is one of the world's leading financial services careers website, operating websites in multiple markets in four languages mainly across the United Kingdom, Continental Europe, Asia, Australia, the Middle East and North America. Professionals from across many sectors of the financial services industry, including asset management, risk management, investment banking, and information technology, use eFinancialCareers to advance their careers. eFinancialCareers extends its global footprint beyond its own sites through job posting distribution agreements with more than 30 finance and business websites around the world, including well-known publications and organizations. eFinancialCareers had approximately 15,000 job postings as of December 31, 2018. During 2018, eFinancialCareers had on average 2.2 million monthly users.

**Rigzone** is a leading website dedicated to delivering online content, data, and career services in the oil and gas industry in North America, Europe, the Middle East, and Asia Pacific. Oil and gas companies, as well as companies that serve the energy industry, use Rigzone to find talent for roles such as petroleum engineers, sales professionals with energy industry expertise and skilled tradesmen. In addition to recruitment packages and advertising, Rigzone provides a number of data services products including Riglogix, RigEdge and RigOutlook. The RigLogix portion of the Rigzone business was sold on February 20, 2018 and a majority ownership of the remaining Rigzone business was transferred to Rigzone management on August 31, 2018.

**Hcareers** is a leading source for hospitality jobs across North America and is one of the largest providers of job postings for the hotel, restaurant, food service, casino and assisted living industries. Hospitality professionals like general managers, sales directors, and executive chefs use Hcareers to advance their careers. The Hcareers business was sold on May 22, 2018.

**BioSpace** is a leading resource for biotechnology careers, news and resources and has helped recruitment, communication and discovery among business and scientific leaders within the life sciences. In addition to recruitment packages, customers can purchase BioSpace's HotBeds campaigns, a unique branding and advertising product to assist regional clusters of companies with high demands for biotech talent. A majority ownership of the BioSpace business was transferred to BioSpace management on January 31, 2018.

## **Our Industry**

We primarily operate in the talent discovery and acquisition segment of the broader market for human capital management services through career sites for technology professionals. There is a shortage of skilled professionals worldwide and we believe that the overall demand for talent acquisition and career development products and services has significant long-term growth potential.

We also believe that certain industries that employ highly-skilled and highly-paid professionals will experience particularly strong demand for effective recruiting solutions due to the scarcity of such professionals. For example, as of December 2018, the

seasonally unadjusted U.S. unemployment rate was 2.1% for computer-related occupations and 2.4% in the finance sector, as compared to the overall national average of 3.9%, seasonally adjusted. Historically, the unemployment rate for college graduates has been lower than the unemployment rate for the U.S. overall. As of December 2018, the seasonally unadjusted unemployment rate for college graduates was 2.0%.

We believe that there are four major trends that will continue to shape demand for talent acquisition services:

- **Greater competition for professional talent** . The candidate-employer relationship has changed, with the balance of power shifting towards the candidates. As more companies leverage technology to advance their business, employers will increasingly need to hire tech talent to compete. According to analysis of data from the Bureau of Labor statistics, Information technology jobs have grown to an average rate of 2.5% over the past 10 years, compared to 0.9% for all industries, primarily driven by the emergence of big data, cloud computing and information security.
- **Continued professional interest in career brands specific to industry and skills**. Our services focus on domains or industries that require specialized skills and knowledge and, thus, customized content, profiles and search parameters. In addition, the technology professionals often share a sense of personal identity and community that goes beyond the confines of their careers. We believe that both specialized skills and the sense of personal identity and community lead professionals in our verticals to prefer specialized career brands over generalist ones.
- **Talent attraction and retention becoming more of a strategic priority for companies**. The *PWC 2018 US CEO Survey* found that 27% of U.S. CEOs are ‘extremely concerned’ about the availability of key skills as a threat to their organizations’ growth prospects. In this environment where top talent is hard to find, organizations are increasingly prioritizing retention of talent. According to Deloitte’s *Global Human Capital Trends 2018* , 61% of human resources respondents are actively redesigning jobs around artificial intelligence (AI), robotics and new business models, resulting in a disruptive change in workforce needs, including skill development.
- **Increased use of data and analytics in human capital management and increased need for insights**. As many companies prove the power of analytics in marketing and other business domains, organizations are seeking to gain a competitive advantage by applying data-driven insights to improve their hiring, retention and leadership capabilities. According to Deloitte’s *Global Human Capital Trends 2018* , 84% of surveyed companies believe that using people analytics is ‘very important or important.’

In this environment, we believe there is an opportunity for career management and talent acquisition tools that leverage the common interests, goals and skills of select professional communities. We believe that a focus on professional communities allows organizations to more efficiently identify talent, with more complete data and insights about that talent.

## **Our Value Proposition**

We are a leading provider of data, insights and employment connections through specialized online professional communities organized around common professional interests and skill sets powered by technology. This specialized approach provides technology professionals with more relevant career related information and opportunities, enhancing their ability to maximize their careers. Through engaging with professionals, we are able to build rich and unique data sets around valuable talent pools. The combination of our focused online professional websites and rich data sets allows organizations to find and hire professional talent more efficiently and effectively, and therefore incentivizes them to source talent through our online professional communities. The benefits our services provide to both professionals and recruiting customers create a robust marketplace.

## **Benefits we provide to Professionals**

**Relevant employment connections** . When professionals post their resumes or apply for jobs on our websites, they can make valuable connections with organizations who prize their skills and expertise. Professionals can avoid having to “sort through the clutter” on generalist career sites and get the most out of their time by using our more focused services.

**Skills/industry-specific career management tools, information and insights** . We provide professionals with targeted and relevant career development tools, content and news. For example, Dice and ClearanceJobs provide professionals with market and salary information and local market trends. In addition, the Salary Predictor allows professionals to evaluate their market value and map out which skills will increase their value. eFinancialCareers provides industry-specialized online career content, as well as career guides targeted to college and graduate students. We believe our career development services and tools provide professionals with the insights they need to propel their careers forward, and thus increase the engagement of professionals with our sites.

## Benefits we provide to our Customers

**Large pools of qualified and hard-to-reach professionals** . We seek to improve the efficiency of the recruiting process for our customers by providing efficient access to large pools of highly qualified and hard-to-reach professionals. Because the communities of professionals who visit our websites are highly-skilled and specialized within specific industries, we believe our customers who post jobs receive applications from candidates who are better qualified for the positions, and that they receive fewer irrelevant applications than when using generalist sites. In addition, since our resume data and resume search functions are highly tailored by specialty, we believe that our customers can more efficiently identify talent using our resume databases than by using broader services.

**Relevant information on prospective candidates** . We believe that the specialized nature of our job posting and resume search products makes them inherently more relevant and efficient for recruiting. In addition, our Unified Profile Index creates an aggregated profile of a professional's experience, contributions, and capabilities as well as their passions and interests. Using all of these products together gives our customers the most complete view of a prospective candidate, and allows them to not only identify the best talent but also tailor their recruiting approach to each individual.

**Hyper-targeted candidate outreach and employer branding** . We offer recruiting customers the ability to target hard-to-find professionals with messages in the online forums they frequent. Our Lengo service leverages our social aggregation capabilities to assemble candidate target lists based on specific factors like skill sets, work experience, location, or interests; then executes hyper-targeted employer branding or job search campaigns in online forums where specific potential candidates spend time.

## Our Strategic Goals

Our company undertook a comprehensive strategic review that began in 2017 and continued into 2018, that resulted in deeper focus and execution of our tech-focused growth strategy designed to reinvigorate our core business and broaden our market opportunity. Our goal has been to further the mission of being the leading technology talent acquisition resource serving and engaging tech professionals across all industries. In addition, we have executed a plan to leverage our tech talent acquisition franchise to expand our next-generation talent acquisition solutions to the broader talent acquisition market, across industries and geographic markets. There are four components to our tech-focused strategy:

**Focus resources behind our core tech talent brands.** We believe that focusing on technology talent acquisition provides us with the best opportunity to win in our increasingly competitive industry. Moreover, to capture the technology market opportunity we need to move quickly, so we plan to focus incremental investments behind the businesses that fall within our tech-focused portfolio - Dice, eFinancialCareers, and ClearanceJobs.

- Deepen the integration of Unified Profile Index through enhanced data analytic capabilities and new go-to-market strategies;
- Improve performance attribution for tech-focused talent acquisition brands by accelerating integration with customers' applicant tracking systems (ATS);
- Launch a suite of new value-add Dice recruitment products, such as matching capabilities and products which build deeper trust with the tech community; and
- Leverage eFinancialCareers finance franchise and global footprint to capitalize on the Fintech evolution in financial services.

**Increase engagement with professional talent.** In today's evolving digital media ecosystem, it is critical for our success to be an indispensable career marketplace for talent to connect with the right opportunities in order to gain insights and information about professionals that are valuable to our recruiting customers.

- Offer technology professionals a comprehensive career management platform that provides skill specific insights that help align professionals' goals and careers; and
- Increase the adoption and utility of the Dice products to increase engagement with technology professionals.

**Develop next-generation talent acquisition solutions.** As our industry continues to evolve, the talent acquisition ecosystem is becoming more complex and recruiters are pursuing more sophisticated search strategies. This environment creates demand for next-generation recruitment solutions, such as social sourcing, targeted employer branding, and candidate relationship management, among others, that are likely to gain share within the online and broader talent acquisition market in the coming years. We own a suite of next-generation solutions that are well positioned to benefit from this trend, which we believe will be a key source of growth for our company.

- Further leverage our data aggregation and analysis capabilities through services like Lengo with our tech-focused talent acquisition brands to offer customers more comprehensive solutions.

**Acquire complementary assets to accelerate growth.** The ongoing evolution and fragmentation of our market provides us with the opportunity to launch or acquire new services to enhance our offering to professionals and recruiting customers.

## **Marketing and Sales**

We focus our long-term marketing efforts on growing the number of professionals who visit and engage with our websites, which we believe increases the attractiveness of our websites to our customers. We use a combination of direct marketing, branding and communications initiatives, including content, to increase our brand awareness, traffic, new resumes posted and applications to job postings. We primarily engage in search engine marketing, online advertising, and participation in industry events, social media marketing and content marketing. Many of our brands use strategic alliances with relevant publishers, trade associations and industry groups to increase reach and traffic. Some of our brands have also invested in broader awareness campaigns that include outdoor advertising in select cities where competition for their respective specializations is high.

Our customer marketing efforts are primarily focused on lead generation activities, such as email campaigns and participation in industry events. We also use marketing communications, such as media relations, social media, and thought leadership content, to enhance brand awareness and client relationships.

We sell our products primarily through our direct sales force. We have a number of direct sales teams organized by brand, market segment, and geography. Our field sales groups target Fortune 1000 companies, large staffing and recruiting firms and other large and mid-size businesses. Our in-house sales teams focus on generating new business from recruiters and small and mid-size companies, renewing customer contracts, increasing the service levels customers' purchase and servicing the needs of our largest clients. As of December 31, 2018, we employed approximately 88 sales personnel in the United States and approximately 39 in the rest of the world. In addition to our internal sales organization, we also use ad networks to help generate ad sales.

We also maintain teams of account managers and customer support specialists who work to ensure customers get the most from our products and services by providing training and assistance. In addition, our customer support departments perform some compliance functions, such as reviewing the websites for false or inaccurate job postings.

## **Customers**

We currently serve a diversified customer base consisting of approximately 12,000 customers in total. No one customer accounted for more than 10% of our revenues in 2018. Our customers include small, mid-sized and large direct employers, staffing companies, recruiting agencies, consulting firms and marketing departments of companies. As of December 31, 2018, notable customers of the Dice and ClearanceJobs included AT&T, Adecco, Amazon, Apple, Cisco, Dell, IBM, Kforce, Manpower, Microsoft, NCI, Oracle, and Samsung. Notable customers of eFinancialCareers included Barclays, Bank of China, BlackRock, Bloomberg, BNY Mellon, Citibank, Credit Suisse, Ernst & Young, Goldman Sachs, HSBC, Moody's, Morgan Stanley, Qatar National Bank, Societe Generale, State Street, and UBS AG.

## **Technology**

We use a variety of open source and proprietary technologies to support our website services. Our websites provide a multitenancy technology platform with multiple application services developed to perform at scale. We primarily utilize Amazon Web Services (AWS) as our cloud infrastructure platform, which enables us to scale our compute, network, and storage capacity on an as-needed basis. Our application services and data connections are continually monitored 24/7 for performance and stability. Our application and infrastructure architecture enable us to ensure global reach, as well as advantages in resiliency and cloud delivery. Job seekers and customers can access our websites with any standard web browser, mobile web browsers, and iOS and Android applications. Our websites also utilize AWS disaster recovery, redundancy, and resiliency services, including multi-availability zone, multi-region, redundant storage and networking solutions, and self-healing capabilities.

## **Competition**

The market for talent acquisition services is highly competitive with multiple online and offline competitors. With the evolution of the online recruiting model, there has been an increasing need to provide ease-of-use and relevance to professionals, as well as an efficient and cost-effective recruitment method for direct employers, recruiters and staffing companies. Additionally, further technological advancements have made it easier for new competitors to emerge with minimal barriers to entry, and advertisers have many alternatives available to reach their target audiences. Our ability to maintain our existing customer base and generate new customers depends to a significant degree on the quality of our candidate databases and audiences, the quality of our services, our ability to enhance our websites and the underlying technology of our websites to meet the needs of a rapidly-evolving marketplace, our pricing strategy and ability to introduce value-added products and services, contracting alternatives such as

subscription or consumption based models, and our reputation among our customers and potential customers, who are increasingly sophisticated and demanding. Our competitors include:

- social and professional networking sites, such as LinkedIn, Facebook, Twitter and Google;
- niche or specialist professional networking sites such as GitHub and Stack Overflow;
- generalist job boards, some of which have substantially greater resources and brand recognition than we do, such as CareerBuilder, Monster, StepStone, and Seek which, unlike specialized job boards, permit customers to enter into a single contract to find professionals across multiple occupational categories and attempt to fill all of their hiring needs through a single website;
- aggregators and distributors of job postings and profiles, including Indeed (owned by Recruit), TalentBin (owned by Monster Worldwide), Entelo, ZipRecruiter, Google and Craigslist;
- career-focused community sites such as Glassdoor;
- newspaper and magazine publishers, national and regional advertising agencies, executive search firms and search and selection firms that carry classified advertising, many of whom have developed, begun developing or acquired new media capabilities, such as recruitment websites, or have partnered with generalist job boards;
- specialized services focused specifically on the industries we service, such as FT.com, Doximity, Upwork and JobServe;
- new and emerging competitors with new business models and products;
- our customers, who seek to recruit candidates directly by using their own resources, including corporate websites; and
- general business sites and print publications, as well as technology news and information community sites, such as Google News, Digg.com and Reddit.com.

## Intellectual Property

We seek to protect our intellectual property through a combination of service marks, trademarks, copyrights and other methods of restricting disclosure of our proprietary or confidential information. As we continue to develop and improve our technology, patents may become a more significant part of our intellectual property in the foreseeable future. We generally enter into confidentiality agreements with our employees, consultants and vendors. We also seek to control access to and distribution of our technology, documentation and other proprietary information.

We generally pursue the registration of the material service marks we own in the United States and internationally, as applicable. We own a number of registered, applied for and/or unregistered trademarks and service marks that we use in connection with our businesses. Our trademarks and registered trademarks in the United States and other countries include DICE, CLEARANCEJOBS.COM, and EFINANCIALCAREERS. Registrations for trademarks may be maintained indefinitely, as long as the trademark owner continues to use and police the trademarks and timely renews registrations with the applicable governmental office. Although we generally pursue the registration of our material service marks and other material intellectual property we own, where applicable, we have trademarks and/or service marks that have not been registered in the United States and/or other jurisdictions. We have not registered the copyrights in the content of our websites and do not intend to register such copyrights.

The steps we have taken to protect our copyrights, trademarks, service marks and other intellectual property may not be adequate, and third parties could infringe, misappropriate or misuse our intellectual property. If this were to occur, it could harm our reputation and affect our competitive position. See Item 1A. “Risk Factors-Misappropriation or misuse of our intellectual property could harm our reputation, affect our competitive position and cost us money.”

## Investments

DHI has made investments through the following acquisitions during the past five years:

	<b>Oil Careers Ltd. <sup>(1)</sup></b>
<b>Date Acquired</b>	March 2014
<b>Description</b>	A leading recruitment site for oil and gas professionals in Europe and included in our Rigzone brand
<b>Brands Included</b>	OilCareers.com; subsequently merged into Rigzone brand
<b>Strategic Rationale</b>	Expansion of Rigzone’s presence in non-U.S. markets
<b>Purchase Price</b>	\$26.1 mm in cash at closing and \$0.3 mm paid for working capital

(1) DHI transferred majority ownership of the Rigzone business to Rigzone management on August 31, 2018.

## **Regulation and Legislation**

### ***User Privacy***

We collect, store and use a variety of information about both professionals and customers on our website properties. Within the websites, the information that is collected, stored and used has been provided by the professionals or customers with the intent of making it publicly available. We do not ask professionals or customers to supply social security numbers. Our business data is separated from website operations by a variety of security layers including network segmentation, physical and logical access controls, firewalls, and many industry-accepted, best-practice information security controls.

We post our privacy policies on our websites so that our users can access and understand the terms and conditions applicable to the collection, storage and use of information collected from users. Our privacy policies also disclose the types of information we gather, how we use it and how a user can correct or change their information. Our privacy policies also explain the circumstances under which we share this information and with whom. Professionals who register for our websites have the option of indicating specific areas of interest in which they are willing to receive offers via email or postal mail. These offers contain content created either by us or our third-party partners.

To protect confidential information and to comply with our obligations to our users, we impose constraints on our customers to whom we provide user data, which are consistent with our commitments to our users. Additionally, when we provide lists to third parties, including to our advertiser customers, it is under contractual terms that are consistent with our obligations to our users and with applicable laws and regulations.

### ***U.S. and Foreign Government Regulation***

We are subject to a number of government regulations, both domestic and foreign, that regulate our products and online service offerings, including content, copyright infringement, user privacy, advertising and promotional activities, taxation, access charges, liability for third-party activities and jurisdiction. In addition, federal, state, local and foreign governmental organizations have enacted and also are considering, and may consider in the future, other legislative and regulatory proposals that would regulate the Internet. Areas of potential regulation include, but are not limited to, libel, electronic contracting, pricing, quality of products and services and intellectual property ownership.

There are a number of U.S. and foreign laws and regulations that affect companies conducting business online. Certain laws regulate commercial electronic messages. Such laws frequently provide a right on the part of the recipient to request the sender to stop sending messages, and establish penalties for the sending of email messages that are not compliant with such laws, including messages that are intended to deceive the recipient as to source or content or that do not provide an electronic method of informing the sender of the recipient's decision not to receive further commercial emails.

We are subject to domestic and foreign laws and regulations regarding privacy and protection of data. Our privacy policies and terms of use agreements describe our practices concerning the use, storage, transmission and disclosure of user data. Any failure by us to comply with our privacy policies or terms of use agreements, or privacy-related laws and regulations, could result in proceedings against us by governmental authorities or others, which could harm our business. The interpretation of these privacy and data protection laws and various regulators' approach to their enforcement, as well as our products and services, continue to evolve over time. We face the risk that these laws may be interpreted and applied in conflicting ways in different jurisdictions or in a manner that is not consistent with our current data protection practices, or that new and unclear laws will be enacted. There currently are a number of proposals pending before federal, state, and foreign legislative and regulatory bodies. In addition, the European General Data Protection Regulation ("GDPR") took effect in May 2018 and applies to all of our European operations. The GDPR includes operational requirements for companies that receive or process personal data of residents of the European Union that are different than those previously in place in the European Union, and include significant penalties for non-compliance. Similarly, there are a number of legislative proposals in the United States, at both the federal and state level, that could impose new obligations in areas affecting our business. In addition, some countries are considering or have passed legislation implementing data protection requirements or requiring local storage and processing of data or similar requirements.

Complying with these varying domestic and foreign requirements could cause us to incur additional costs and change our business practices. Further, any failure by us to adequately protect our users' privacy and data could result in a loss of confidence in our products and services and, ultimately, in a loss of customers, which could have an adverse effect on our business.

Furthermore, favorable laws may change, including for example in the United States where the FCC voted to repeal net neutrality regulations. Given uncertainty around these rules, including changing interpretations, amendments or repeal, coupled with potentially significant political and economic power of local network operators, we could experience discriminatory or anti-competitive practices that could impede our growth, cause us to incur additional expense or otherwise negatively affect our business.

The application of laws and regulations affecting online business to our products and services is often unclear, and these laws and how various jurisdictions interpret these laws continue to evolve. Compliance with these laws may be expensive and could harm our business. Any failure by the Company to comply with these laws and regulations could result in actions against us by governmental authorities or other entities, which could harm our business, including governmental or court orders that we cease certain activities.

See Item 1A. Risk Factors "Our business is subject to U.S. and foreign government regulation of the Internet and taxation, which may have a material adverse effect on our business" and "Capacity constraints, systems failures or breaches of our network security could materially and adversely affect our business. If we fail to manage our technical operations infrastructure, our existing customers may experience services outages, and our new customers may experience delays in the deployment of our solution."

## **Employees**

As of December 31, 2018, we had 484 employees. Our employees are not represented by any union and are not the subject of a collective bargaining agreement. We believe that we have a good relationship with our employees.

## **Item 1A. Risk Factors**

***We may from time to time consider strategic alternatives that may enhance stockholder value, which may result in the use of a significant amount of our management resources or significant costs, and we may not be able to fully realize the potential benefits of any such transaction.***

We may consider from time to time strategic alternatives to ensure the Company's ownership structure optimizes the Company's ability to achieve growth initiatives through its strategic plan and to maximize stockholder value. The consideration of strategic alternatives could result in, among other things, a sale, merger, consolidation or business combination, asset divestiture, partnering or other collaboration agreements, or potential acquisitions or recapitalizations, in one or more transactions, or continuing to operate with our current business plan and strategy. There can be no assurance that any review of strategic alternatives will result in the identification or consummation of any transaction. Although there would be uncertainty that considering any possible transaction would result in definitive agreements or the completion of such transaction, we may devote a significant amount of our management resources to analyzing and pursuing such a transaction, which could negatively impact our operations. In addition, we may incur significant costs in connection with seeking such transactions or other strategic alternatives regardless of whether the transaction is completed. In the event that we consummate a strategic alternative in the future, we cannot be certain that we would fully realize the potential benefit of such a transaction and cannot predict the impact that such strategic transaction might have on our operations or stock price. We do not undertake to provide updates or make further comments regarding the evaluation of strategic alternatives, unless otherwise required by law.

***We may not be successful in executing our tech-focused strategy which could have a material adverse effect on our results of operations.***

We may not be successful in pursuing our tech-focused strategy, which includes narrowing priorities to initiatives related to connecting technology professionals with employers. There can be no assurance that the allocation of resources behind our Tech-focused business and sales and marketing efforts will result in the strengthening of our competitive position, the failure of which could have a material adverse effect on our financial condition and results of operations. As a result of our strategic focus on the tech sector and divesting our businesses operating in different sectors, we have an increased dependence on the economic health of that sector and may not have the mitigating benefits of exposure to a portfolio of diverse industries in the event of a tech sector downturn.

***If we fail to attract or retain key executives and personnel, there could be a material adverse effect on our business.***

Our performance is substantially dependent on the performance of senior management and key technical personnel. We have employment agreements, which include non-compete provisions, with all members of senior management and certain key technical personnel. However, we cannot assure you that any of these senior managers or others will remain with us or that they will not compete with us in the event they cease to be employees, which could have a material adverse effect on our business, results of operations, financial condition and liquidity. In addition, we have not purchased key person life insurance on any members of our senior management. Our future success also depends upon our continuing ability to identify, attract, hire and retain highly qualified personnel, including skilled technical, management, product and technology, and sales and marketing personnel, all of whom are in high demand and are often subject to competing offers. There has in the past been, and there may in the future be, a shortage of qualified personnel in the career services market. We also compete for qualified personnel with other companies. A loss of a substantial number of qualified employees, or an inability to attract, retain and motivate additional highly skilled employees required for expansion of our business, could have a material adverse effect on our business. In addition, the recent significant

decline in our stock price may undermine the use of our equity as a retention tool and may make it more difficult to retain key personnel.

***We may be adversely affected by cyclical, volatility or an extended downturn in the United States or worldwide economy, or in or related to the industries we serve.***

Our revenues are generated primarily from servicing customers seeking to hire qualified professionals in the technology and finance sectors. Demand for these professionals tends to be tied to economic and business cycles. Increases in the unemployment rate, specifically in the technology industry, cyclical or an extended downturn in the economy could cause our revenues to decline. For example, during the recession in 2001, employers reduced or postponed their recruiting efforts, including their recruitment of professionals in the technology industry. The 2001 economic recession, coupled with the substantial indebtedness incurred by our predecessor, Dice Inc., resulted in Dice Inc. filing for Chapter 11 protection in 2003. As of December 2018, the seasonally unadjusted U.S. unemployment rate was 2.1% for computer-related occupations, and 2.4% in the finance sector, as compared to the overall national average of 3.9%, seasonally adjusted. The increase in unemployment and decrease in recruitment activity experienced during 2008 and 2009 resulted in decreased demand for our services. During 2009, we experienced a 29% decline in revenues compared to 2008. If the economic environment experienced during 2008 and 2009 returns, our ability to generate revenue may be adversely affected.

In addition, the general level of economic activity in the regions and industries in which we operate significantly affects demand for our services. When economic activity slows, many companies hire fewer employees. Therefore, our operating results, business and financial condition could be significantly harmed by an extended economic downturn or future downturns, especially in regions or industries where our operations are heavily concentrated. Further, we may face increased pricing pressures during such periods as customers seek to use lower cost or fee services. Additionally, the labor market and certain of the industries we serve have historically experienced short-term cyclical. It is difficult to estimate the total number of passive or active job seekers or available job openings in the United States or abroad during any given period. If there is a labor shortage, qualified professionals may be less likely to seek our services, which could cause our customers to look elsewhere for attractive employees. Such labor shortages would require us to intensify our marketing efforts toward professionals so that professionals who post their resumes on our websites remain relevant to our customers, which would increase our expenses. Furthermore, if there is a shortage of available job openings in a particular region or sector we serve, the number of job postings on our websites could decrease, causing our business to be adversely affected. For example, the continued depression of oil prices led to decreased demand for energy professionals worldwide. Oil prices reached decade lows in 2016 and remained depressed. This decline in demand significantly decreased the sales of energy industry job postings and the use of related services and adversely impacted the results of Rigzone, a business we disposed of in 2018. As a result, we recorded a \$24.6 million impairment of goodwill and intangible assets and \$34.8 million impairment of goodwill at our Corporate & Other segment for the fiscal years ended December 31, 2016 and 2015, respectively.

Any economic downturn or recession in the United States or abroad for an extended period of time could have a material adverse effect on our business, financial condition, results of operations and liquidity. Based on historical trends, improvements in labor markets and the need for our services generally lag behind overall economic improvements. Additionally, there has historically been a lag from the time customers begin to increase purchases of our services and the impact to our revenues due to the recognition of revenue occurring over the length of the contract, which can be several months to a year.

Volatility in global financial markets may also limit our ability to access the capital markets at a time when we would like, or need, to raise capital, which could have an impact on our ability to react to changing economic and business conditions. Accordingly, if the economy does not fully recover or worsens, our business, results of operations and financial condition could be materially and adversely affected.

***A write-off of all or a part of our goodwill and intangible assets would hurt our operating results and reduce our net worth.***

We have significant intangible assets and goodwill. Goodwill represents the excess of the total purchase price of our acquisitions over the estimated fair value of the net assets acquired. As of December 31, 2018, we had \$154.0 million and \$39.0 million of goodwill and acquired intangible assets, respectively, on our balance sheet, which represented approximately 60% and 15%, respectively, of our total assets. We do not amortize goodwill under U.S. GAAP and instead are required to review goodwill at least annually for impairment. The indefinite-lived acquired intangible asset of \$39.0 million is not amortized and instead is reviewed annually for impairment. The fair value of the Dice tradename as of the most recent annual impairment testing date of October 1, 2018 resulted in the fair value exceeding the carrying value by 2%. During 2016, goodwill and intangible assets of \$24.6 million related to Rigzone were fully written off. During 2015, goodwill of \$34.8 million related to Rigzone was written off. During 2013, goodwill and intangible assets of \$14.9 million related to Slashdot Media and Health Callings was written off. During 2008, goodwill of \$7.2 million related to eFinancialCareers' North American operations was written off. In the event impairment is identified again in the future for any of our reporting units, a charge to earnings would be recorded. Although it



would not affect our cash flow or financial position, a write-off in future periods of all or a part of our goodwill or intangible assets would have a material adverse effect on our overall results of operations. See Item 7. “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies—Goodwill.”

***Concerns regarding the global economic climate, the lingering effects of the European debt crisis, and market perceptions concerning the instability of the Euro could adversely impact our business.***

Concerns persist regarding the global economic climate, the recent debt burden of certain Eurozone countries and their ability to meet future financial obligations, the overall stability of the euro and the suitability of the euro as a single currency given the diverse economic and political circumstances in individual Eurozone countries. These concerns, or market perceptions concerning these and related issues, could adversely affect demand for our services in the European market and our business, results of operations, financial condition and liquidity.

***We operate in a highly competitive developing market and we may be unable to compete successfully against existing and future competitors.***

The market for career services is highly competitive and barriers to entry in the market are relatively low. For example, there are tens of thousands of job boards currently operating on the Internet, and new competitors may emerge. We do not own any patented technology that would preclude or inhibit competitors from entering the recruiting and career development services market. We compete with other companies that direct all or portions of their websites toward certain segments or sub-segments of the industries we serve. We compete with generalist job boards, some of which have substantially greater resources and brand recognition than we do, such as CareerBuilder, Monster.com, Stepstone and Seek, which, unlike specialist job boards, permit customers to enter into a single contract to find professionals across multiple occupational categories and attempt to fill all of their hiring needs through a single website, as well as job boards focused specifically on the industries we service, such as FT.com, JobServe, Doximity, and Upwork. We also compete with newspaper and magazine publishers, national and regional advertising agencies, executive search firms and search and selection firms that carry classified advertising, many of whom have developed, begun developing or acquired new media capabilities, such as recruitment websites, or have recently partnered with generalist job boards. We also compete with general business sites and print publications, as well as technology news and information community sites, such as Google News, Digg.com and Reddit.com. In addition, we face competition from aggregators of classified advertising, including Indeed, TalentBin, Entelo, ZipRecruiter, Google, and Craigslist. Social and professional networking sites, such as LinkedIn, Facebook, Twitter and Google compete with us in providing professional services. Our Unified Profile Index service competes with Entelo, Gild and TalentBin. We also compete with new competitors, including career-focused community sites such as Glassdoor and talent relationship management software providers such as Avature and SmashFly, and emerging competitors with new business models and products that customers are more willing to trial during periods when talent is scarce.

***We must adapt our business model to keep pace with rapid changes in the recruiting and career services business, including rapidly changing technologies and the development of new products and services.***

Providing online recruiting and career development services is a rapidly evolving business, and we will not be successful if our business model does not keep pace with new trends and developments. The adoption of recruiting and job seeking, particularly among those who have historically relied on traditional recruiting methods, requires acceptance of a new way of conducting business, exchanging information and applying for jobs. If we are unable to adapt our business model to keep pace with changes in the recruiting business, or if we are unable to continue to demonstrate the value of our online services to our customers, our business, results of operations, financial condition and liquidity could be materially adversely affected. Our success is also dependent on our ability to adapt to rapidly changing technology and to make investments to develop new products and services. Accordingly, to maintain our competitive position and our revenue base, we must continually modernize and improve the features, reliability and functionality of our service offerings and related products in response to our competitors. Future technological advances in the career services industry may result in the availability of new recruiting and career development offerings. Some of our competitors have longer operating histories, larger client bases, longer relationships with clients, greater brand or name recognition, or significantly greater financial, technical, marketing and public relations resources than we do. As a result, they may be in a position to respond more quickly to new or emerging technologies and changes in customer requirements, and to develop and promote their products and services more effectively than we can. We may not be able to adapt to such technological changes or offer new products on a timely or cost-effective basis or establish or maintain competitive positions. If we are unable to develop and introduce new products and services, or enhancements to existing products and services, in a timely and successful manner, our business, results of operations, financial condition and liquidity could be materially and adversely affected.

Trends that could have a critical impact on our success include:

- rapidly changing technology in online recruiting;
- evolving industry standards relating to online recruiting;
- developments and changes relating to the Internet and mobile devices;
- evolving government regulations;

- competing products and services that offer increased functionality;
- changes in requirements for customers and professionals; and
- privacy protection concerning data available and transactions conducted over the Internet.

***If we fail to develop and maintain our reputation and brand recognition our business could be adversely affected.***

We believe that establishing and maintaining the identity of our key brands, such as Dice, eFinancialCareers, and ClearanceJobs, is critical in attracting and maintaining the number of professionals and customers using our services, and that the importance of brand recognition will increase due to the growing number of Internet services similar to ours and relatively low barriers to entry. Promotion and enhancement of our brands will depend largely on our success in continuing to provide high quality recruiting and career development services. If users do not perceive our existing career and recruiting services to be of high quality, or if we introduce new services or enter into new business ventures that are not favorably received by users, the uniqueness of our brands could be diminished and accordingly the attractiveness of our websites to professionals and customers could be reduced. We may also find it necessary to increase substantially our financial commitment to creating and maintaining a distinct brand loyalty among users. If we cannot provide high quality career services, fail to protect, promote and maintain our brands or incur excessive expenses in an attempt to improve our career services or promote or maintain our brands, our business, results of operations, financial condition and liquidity could be materially adversely affected.

***Our business is largely based on customers who purchase monthly or annual recruitment packages. Any failure to increase or maintain the number of customers who purchase recruitment packages could adversely impact our revenues.***

Our customers typically include recruiters, staffing firms, consulting firms and direct hiring companies. Customers can choose to purchase recruitment packages, classified postings or advertisements. Most of our revenues are generated by the fees we earn from our customers who purchase monthly or long-term recruitment packages. Our growth depends on our ability to retain our existing monthly and annual recruitment package customers and to increase the number of customers who purchase recruitment packages, as well as introduce new pricing options. Any of our customers may decide not to continue to use our services in favor of alternate services, lack of need, or because of budgetary constraints or other reasons. We cannot assure you that we will be successful in continuing to attract new customers or retaining existing customers or that our future sales efforts in general will be effective. If our existing customers choose not to use our services, decrease their use of our services, or change from being recruitment package customers to purchasing individual classified postings, our services, job postings and resumes posted on our websites could be reduced, search activity on our websites could decline, the usefulness of our services to customers could be diminished, and we could experience declining revenues and/or incur significant expenses. Dice U.S. recruitment package customers at December 31, 2018, 2017 and 2016 were 6,200, 6,450, and 7,050, respectively.

***If we fail to attract qualified professionals to our websites or grow the number of qualified professionals who use our websites, our revenues could decline.***

The value of our websites to our customers is dependent on our ability to continuously attract professionals with the experience, education and skill-set our customers seek. For example, the professionals who post their resumes on Dice.com are highly educated, with approximately 85% having a bachelor's degree or higher as of January 2019. Our online surveys indicate that almost 82% of professionals who use Dice.com have more than five years of experience, over half have greater than 10 years of experience, and the majority are currently employed. To grow our businesses, we must continue to convince qualified professionals that our services will assist them in finding employment, so that customers will choose to use our services to find employees. We do not know the extent to which we have penetrated the market of qualified professionals in the industries we serve or the extent to which we will be able to grow the number of qualified professionals who use our websites. If we are unable to increase the number of professionals using our websites, or if the professionals who use our websites are viewed as unattractive by our customers, our customers could seek to list jobs and search for professionals elsewhere, which could cause our revenues to decline.

***We may not timely and effectively scale and adapt our existing technology and network infrastructure to ensure that our websites are accessible within an acceptable load time.***

A key element to our continued growth is the ability of our users (whom we define as anyone who visits our website, regardless of whether or not they are a customer), enterprises and professional organizations in all geographies to access our website within acceptable load times. We call this "website performance." We have experienced, and may in the future experience, website disruptions, outages and other performance problems due to a variety of factors, including infrastructure changes, human or software errors, capacity constraints due to an overwhelming number of users accessing our website simultaneously, and denial of service or fraud or security attacks. In some instances, we may not be able to identify the cause or causes of these website performance problems within an acceptable period of time. It may become increasingly difficult to maintain and improve the performance of our websites, especially during peak usage times and as our solutions become more complex and our user traffic increases. If our websites are unavailable when users attempt to access them or do not load as quickly as they expect, users may seek other websites to obtain the information for which they are looking, and may not return to our websites as often in the future, or at all. This would negatively impact our ability to attract customers, enterprises and professional organizations and increase engagement on our

websites. We expect to continue to make significant investments to maintain and improve website performance and to enable rapid releases of new features and products. To the extent that we do not effectively address capacity constraints, upgrade our systems as needed and continually develop our technology and network architecture to accommodate actual and anticipated changes in technology, our business and operating results may be harmed.

***Capacity constraints, systems failures or breaches of our network security could materially and adversely affect our business. If we fail to manage our technical operations infrastructure, our existing customers may experience services outages, and our new customers may experience delays in the deployment of our solution.***

We derive almost all of our revenues from the purchase of recruitment products and services and employment advertising offered on our Dice, eFinancialCareers, and ClearanceJobs websites. As a result, our operations depend on our ability to maintain and protect our website services, most of which are housed within Amazon Web Services. System failures, including network, software or hardware failures, which cause interruption or an increase in response time of our services, could substantially decrease usage of our services and could reduce the attractiveness of our services to both our customers and professionals. An increase in the volume of queries conducted through our services could strain the capacity of the software or hardware we employ. This could lead to slower response times or system failures and prevent users from accessing our websites for extended periods of time, thereby decreasing usage and attractiveness of our services. Our technology operations are dependent in part on our ability to protect our operating systems against:

- physical damage from acts of God;
- terrorist attacks or other acts of war;
- power loss;
- telecommunications failures;
- network, hardware or software failures;
- physical and electronic break-ins;
- cyber security attacks;
- computer viruses or worms;
- identity theft; and
- similar events.

Although we maintain insurance against fires, floods and general business interruptions, the amount of coverage may not be adequate in any particular case. Furthermore, the occurrence of any of these events could result in interruptions, delays or cessations in service to users of our services, which could materially impair or prohibit our ability to provide our services and significantly impact our business.

Additionally, overall Internet usage could decline if any well-publicized compromise of security occurs or if there is a perceived lack of security of personal and corporate information stored within our systems to facilitate hiring and recruitment business processes. “Hacking” involves efforts to gain unauthorized access to information or systems or to cause intentional malfunctions or loss or corruption of data, software, hardware or other computer equipment, and online job boards, in particular, have been targeted by hackers who seek to gain unauthorized access to job seeker and customer data for purposes of implementing “phishing” or other schemes. Despite our implementation of numerous security measures; including access controls, network security, information security risk management processes, software development security, cryptography, operational security, business continuity and disaster recovery, and physical security, our websites, servers, databases and other systems may be vulnerable to computer hackers, physical or electronic break-ins, sabotage, computer viruses, worms and similar disruptions from unauthorized tampering with our computer systems. Our systems, like the systems of many other websites, have been targeted in the past in cyber attacks and hacks and will continue to be subject to such attacks. Because the techniques used to obtain unauthorized access, disable or degrade service, or sabotage systems change frequently, such techniques often are not recognized until launched against a target and may originate from less regulated and remote areas around the world, we may be unable to proactively address these techniques or to implement adequate preventative measures. We will continue to review and enhance our security measures in an attempt to prevent unauthorized and unlawful intrusions, although in the future it is possible we may not be able to prevent all intrusions, and such intrusions could result in our network security or computer systems being compromised and possibly result in the misappropriation or corruption of proprietary or personal information or cause disruptions in our services. We might be required to expend significant capital and resources to protect against, remediate or alleviate problems caused by such intrusions. We may also not have a timely remedy against a hacker who is able to penetrate our network security. Our networks could also be affected by viruses or malware or other similar disruptive problems, and we could inadvertently transmit these viruses or malware to our users or other third parties. Our hardware and back-up systems could fail causing our services to be interrupted. Any of these occurrences, and negative publicity arising from any such occurrences, could harm our business or give rise to a cause of action against us. Our general business interruption insurance policies have limitations with respect to covering interruptions caused by computer viruses or hackers. We have not added specific insurance coverage to protect against these risks. Our activities and the activities of third party contractors involve the storage, use and transmission of proprietary and personal information,

including personal information collected from professionals who use our websites. Accordingly, security breaches could expose us to a risk of loss or litigation and possibly liabilities. We cannot assure that contractual provisions attempting to limit our liability in these areas will be successful or enforceable, or that other parties will accept such contractual provisions as part of our agreements. Any security breaches or our inability to provide users with continuous access to our networks could materially impact our ability to provide our services as well as materially impact the confidence of our customers in our services, either of which could have a material adverse effect on our business.

***We may be liable with respect to the collection, storage and use of the personal and professional information of the professionals, who use our websites and our current practices may not be in compliance with proposed new laws and regulations.***

Our business depends on our ability to collect, store, use and disclose personal and professional data from the professionals who use our websites. Our policies concerning the collection, use and disclosure of personally identifiable information are described on our websites. In recent years, class action lawsuits have been filed and the Federal Trade Commission and state agencies have commenced investigations with respect to the collection, use, sale and storage by various Internet companies of users' personal and professional information. While we believe we are in compliance with current law, we cannot ensure that we will not be subject to lawsuits or investigations for violations of law. Moreover, our current practices regarding the collection, storage and use of user information may not be in compliance with currently pending legislative and regulatory proposals by the United States federal government and various state and foreign governments intended to limit the collection and use of user information. While we have implemented and intend to implement additional programs designed to enhance the protection of the privacy of our users, these programs may not conform to all or any of these laws or regulations and we may consequently incur civil or criminal liability for failing to conform. As a result, we may be forced to change our current practices relating to the collection, storage and use of user information. Our failure or our perceived failure to comply with laws and regulations could also lead to adverse publicity and a loss of consumer confidence if it were known that we did not take adequate measures to assure the confidentiality of the personally identifiable information that our users had given to us. This could result in a loss of customers and revenue and materially adversely impact the success of our business. Concern among prospective customers and professionals regarding our use of personal information collected on our websites, such as credit card numbers, email addresses, phone numbers and other personal information, could keep prospective customers from using our career services websites. Internet-wide incidents or incidents with respect to our websites, including misappropriation of our users' personal information, penetration of our network security, or changes in industry standards, regulations or laws could deter people from using the Internet or our websites to conduct transactions that involve confidential information, which could have a material adverse impact on our business. We generally comply with industry standards and are subject to the terms of our privacy policies and privacy-related obligations to third parties (including voluntary third-party certification bodies such as TRUSTe). We strive to comply with all applicable laws, policies, legal obligations and industry codes of conduct relating to privacy and data protection, to the extent possible. However, it is possible that these obligations may be interpreted and applied in new ways and/or in a manner that is inconsistent from one jurisdiction to another and may conflict with other rules or our practices or that new regulations could be enacted.

In the past, we have relied on the U.S.-European Union Frameworks, as agreed to by the U.S. Department of Commerce and the European Union ("EU"), as one of the means to legally transfer European personal information from Europe to the United States. However, on October 6, 2015, the European Court of Justice invalidated the U.S.-EU Safe Harbor framework. On February 2, 2016, the U.S. and E.U. announced agreement on a new framework for transatlantic data flows entitled the EU-US Privacy Shield. However, it is possible that Privacy Shield may be challenged in EU courts and there is some uncertainty regarding its future validity and our ability to rely on it for EU to US data transfers.

Additionally, the EU has enacted the GDPR, which took effect on May 25, 2018. The GDPR implemented more stringent operational requirements for processors and controllers of personal data, including, for example, expanded disclosures about how personal information is to be used, limitations on retention of information, mandatory data breach notification requirements and higher standards for controllers to demonstrate that they have obtained valid consent for certain data processing activities. The GDPR also provides for significant penalties for non-compliance. As a result of the GDPR, we expect regulatory and customer attention surrounding data privacy continue to increase. Furthermore, outside of the EU, we continue to see increased regulation of data privacy and security, including the adoption of more stringent subject matter specific state laws and national laws regulating the collection and use of data, as well as security and data breach obligations. For example, California recently adopted the California Consumer Privacy Act of 2018, or CCPA, which will come into effect beginning in January 2020. The CCPA has been characterized as the first "GDPR-like" privacy statute to be enacted in the United States because it mirrors a number of the key provisions of the GDPR. The CCPA establishes a new privacy framework for covered businesses by, among other things, creating an expanded definition of personal information, establishing new data privacy rights for consumers in the State of California and creating a new and potentially severe statutory damages framework for violations of the CCPA and for businesses that fail to implement reasonable security procedures and practices to prevent data breaches.

The uncertainty and changes in the requirements of multiple jurisdictions may increase the cost of compliance, reduce demand for our websites, restrict our ability to offer services in certain locations or subject us to sanctions by national data protection regulators, all of which could harm our business, financial condition, and results of operations. Failure to provide adequate privacy protections and maintain compliance with the new data privacy laws, including the EU-U.S. Privacy Shield framework and the GDPR, could have a material adverse effect on our financial condition and results of operations.

***We have indebtedness which could affect our financial condition, and, if adverse changes in the credit markets occur, we may not be able to borrow funds under our revolving credit facility or refinance our indebtedness.***

As of December 31, 2018, we had \$18.0 million of outstanding indebtedness under our credit agreement dated November 14, 2018 (the “Credit Agreement”) and we had the ability to borrow an additional \$72.0 million. If we cannot generate sufficient cash flow from operations to service our debt, we may need to further refinance our debt, dispose of assets or issue equity to obtain necessary funds. We do not know whether we will be able to take any of these actions, if necessary, on a timely basis or on terms satisfactory to us or at all.

Our Credit Agreement consists of a revolving facility and matures in November 2023. The funding of the revolving facility is dependent on a number of financial institutions. It is possible that one or more of the lenders will refuse or be unable to satisfy their commitment to lend to us should we need to borrow funds under the revolving credit facility. If borrowings are unavailable to us and we cannot generate sufficient revenues to fund our operations, our business will be adversely affected. In addition, the inability to borrow could hinder growth if we need funds to complete an acquisition.

Our indebtedness could limit our ability to:

- obtain necessary additional financing for working capital, capital expenditures or other purposes in the future;
- plan for, or react to, changes in our business and the industries in which we operate;
- make future acquisitions or pursue other business opportunities; or
- react in an extended economic downturn.

***The terms of our Credit Agreement may restrict our current and future operations, which would adversely affect our ability to respond to changes in our business and to manage our operations.***

Our Credit Agreement contains, and any future indebtedness of ours would likely contain, a number of restrictive covenants that impose significant operating and financial restrictions on us, including restrictions on our ability to, among other things:

- incur additional debt;
- pay dividends and make other restricted payments;
- repurchase our own shares;
- create liens;
- make investments and acquisitions;
- engage in sales of assets and subsidiary stock;
- enter into sale-leaseback transactions;
- enter into transactions with affiliates;
- transfer all or substantially all of our assets or enter into merger or consolidation transactions; and
- make capital expenditures.

Our Credit Agreement also requires us to maintain certain financial ratios. A failure by us to comply with the covenants or financial ratios contained in our Credit Agreement could result in an event of default under our Credit Agreement which could adversely affect our ability to respond to changes in our business and manage our operations. In the event of any default under our Credit Agreement, the lenders under our Credit Agreement will not be required to lend any additional amounts to us. Our lenders also could elect to declare all amounts outstanding to be due and payable and require us to apply all of our available cash to repay these amounts. If the indebtedness under our Credit Agreement were to be accelerated, there can be no assurance that our assets would be sufficient to repay this indebtedness in full.

***We expect our operating results to fluctuate on a quarterly and annual basis.***

Our revenue and operating results could vary significantly from quarter-to-quarter and year-to-year and may fail to match our past performance because of a variety of factors, some of which are outside of our control. Any of these events could cause the market price of our common stock to fluctuate. Factors that may contribute to the variability of our operating results include:

- the size and seasonal variability of our customers’ recruiting and marketing budgets;
- the emergence of new competitors in our market whether by established companies or the entrance of new companies;
- the cost of investing in our technology infrastructure may be greater than we anticipate;

- our ability to increase our customer base and customer and professional engagement;
- disruptions or outages in the availability of our websites, actual or perceived breaches of privacy and compromises of our customers' or professionals' data;
- changes in our pricing policies or those of our competitors;
- macroeconomic changes, in particular, deterioration in labor markets, which would adversely impact sales of our hiring solutions, or economic growth that does not lead to job growth, for instance increases in productivity;
- costs associated with data security which is becoming increasingly complex;
- the timing and costs of expanding our organization and delays or inability in achieving expected productivity;
- the timing of certain expenditures, including hiring of employees and capital expenditures;
- our ability to increase sales of our products and solutions to new customers and expand sales of additional products and solutions to our existing customers;
- the extent to which existing customers renew their agreements with us and the timing and terms of those renewals; and
- general industry and macroeconomic conditions.

***Our history of operations includes periods of operating and net losses, and we may incur operating and net losses in the future. Our significant net losses in periods prior to 2003 and the significant amount of indebtedness incurred by our predecessor led us to declare bankruptcy in early 2003.***

Our history of operations includes periods of operating and net losses. Our significant net losses in periods prior to 2003 and the significant amount of indebtedness incurred by our predecessor led us to declare bankruptcy in early 2003. Although we have managed to achieve an increase in revenues since Dice Inc. emerged from bankruptcy, we have also increased our operating expenses significantly, expanded our net sales and marketing operations, made significant acquisitions and have continued to develop and extend our online career services with the expectation that our revenues will grow in the future. We may not generate sufficient revenues to pay for all of these operating or other expenses, which could have a material adverse effect on our business, results of operations and financial condition.

***If we are not able to successfully identify or integrate recent or future acquisitions our management's attention could be diverted, and our efforts to integrate future acquisitions could consume significant resources.***

An important component of our tech-focused strategy is developing new capabilities that strengthen and expand our position in the global technology talent acquisition market and broaden the talent solutions through the acquisition of other complementary businesses and technologies (such as the 2013 acquisition of The IT Job Board, the 2012 WorkDigital acquisition, and the 2006 eFinancialGroup acquisition). Our further growth may depend in part on our ability to identify additional suitable acquisition opportunities or consummate such acquisitions on terms that are beneficial to us. We may not be able to identify suitable acquisition opportunities or consummate such acquisitions on favorable terms or at all. In addition, the anticipated results or operational benefits of any businesses we acquire may not be realized and we may not be successful in integrating other acquired businesses into our operations. Failure to manage and successfully integrate acquired businesses could harm our business. Even if we are successful in making an acquisition, we may encounter numerous risks, including the following:

- expenses, delays and difficulties in integrating the operations, technologies and products of acquired companies;
- potential disruption of our ongoing operations;
- diversion of management's attention from normal daily operations of our business;
- inability to maintain key business relationships and the reputations of acquired businesses;
- the difficulty of integrating acquired technology and rights into our services and unanticipated expenses related to such integration;
- the impairment of relationships with customers and partners of the acquired companies or our customers and partners as a result of the integration of acquired operations;
- the impairment of relationships with employees of the acquired companies or our employees as a result of integration of new management personnel;
- entry into markets in which we have limited or no prior experience and in which our competitors have stronger market positions;
- dependence on unfamiliar employees, affiliates and partners;
- the amortization of acquired companies' intangible assets;
- insufficient revenues to offset increased expenses associated with the acquisition;
- inability to maintain our internal standards, controls, procedures and policies;
- reduction or replacement of the sales of existing services by sales of products and services from acquired business lines;
- potential loss of key employees of the acquired companies;
- difficulties integrating the personnel and cultures of the acquired companies into our operations;
- in the case of foreign acquisitions, uncertainty regarding foreign laws and regulations and difficulty integrating operations and systems as a result of cultural, systems and operational differences; and

- the impact of potential liabilities or unknown liabilities of the acquired businesses.

If any of these risks materialize, they could have a material adverse effect on our business, results of operations, financial condition and liquidity.

In addition, any acquisition of other businesses or technologies may require us to seek debt or equity financing. Such financing might not be available to us on acceptable terms or at all. The global financial markets have recently experienced declining equity valuations and disruptions in the credit markets due to liquidity imbalances and repricing of risk, which may impact our ability to obtain additional financing on reasonable terms or at all.

***Misappropriation or misuse of our intellectual property could harm our reputation, affect our competitive position and cost us money.***

Our success and ability to compete are dependent in part on the strength of our intellectual property rights, the content included on our websites, the goodwill associated with our trademarks, trade names and service marks, and on our ability to use U.S. and foreign laws to protect them. Our intellectual property includes, among other things, the content included on our websites, our logos, brands, domain names, the technology that we use to deliver our products and services, the various databases of information that we maintain and make available and the appearance of our websites. We claim common law protection on certain names and marks that we have used in connection with our business activities and the content included on our websites. We also own a number of registered or applied-for trademarks and service marks that we use in connection with our business, including DICE, CLEARANCEJOBS.COM, and EFINANCIALCAREERS some of which we have acquired through business acquisitions. Although we generally pursue the registration of material service marks and other material intellectual property we own, where applicable, we have copyrights, trademarks and/or service marks that have not been registered in the United States and/or other jurisdictions. We generally enter into confidentiality and work-for-hire agreements with our employees, consultants, and vendors to protect our intellectual property rights. We also seek to control access to and distribution of our technology, documentation and other proprietary information as well as proprietary information licensed from third parties. Policing our intellectual property rights worldwide is a difficult task, and we may not be able to identify infringing users. The steps we have taken to protect our proprietary rights may not be adequate, and third parties could infringe, misappropriate or misuse our intellectual property rights. If this were to occur, it could harm our reputation and affect our competitive position. It could also require us to spend significant time and money in litigation. In addition, the laws of foreign countries do not necessarily protect intellectual property rights to the same extent as the laws of the United States. We have licensed in the past (on a royalty free basis), and expect to license in the future, various elements of our distinctive trademarks, service marks, trade dress, content and similar proprietary rights to third parties. We enter into strategic marketing arrangements with certain third-party web site operators pursuant to which we license our trademarks, service marks and content to such third parties in order to promote our brands and services and to generate leads to our websites. While we attempt to ensure that the quality of our brands is maintained by these licensees, we cannot assure you that third-party licensees of our proprietary rights will always take actions to protect the value of our intellectual property and reputation, and if they fail to do so, such failure could adversely affect our business and reputation.

***We could be subject to infringement and other claims relating to our services or the content on our websites that may result in costly litigation, the payment of damages or the need to revise the way we conduct business.***

We cannot be certain that our technology, offerings, services or content do not or will not infringe upon the intellectual property or other proprietary rights of third parties, or otherwise violate laws. From time to time we receive notices alleging potential infringement of intellectual property or other proprietary rights of third parties or non-compliance with applicable laws. In seeking to protect our marks, copyrights, domain names and other intellectual property rights, or in defending ourselves against claims of infringement or non-compliance that may or may not be without merit, we could face costly litigation and the diversion of our management's attention and resources. Claims against us could result in the need to develop alternative trademarks, content, technology or other intellectual property or enter into costly royalty or licensing agreements, or substantially modify or cease to offer one or more of our services, which could have a material adverse effect on our business, results of operations, financial condition and liquidity. If we were found to have infringed on a third party's intellectual property or other proprietary rights, or failed to comply with applicable laws, among other things, the value of our brands and our business reputation could be impaired, and our business could suffer.

***If we are unable to enforce or defend our ownership or use of intellectual property, our business, competitive position and operating results could be harmed.***

The success of our business depends in large part on our intellectual property rights, including existing and future trademarks and copyrights, which are and will continue to be valuable and important assets of our business. Our business could be harmed if we are not able to protect the content of our databases and our other intellectual property. We have taken measures to protect our intellectual property, such as requiring our employees and consultants with access to our proprietary information to execute confidentiality agreements. In the future, we may sue competitors or other parties who we believe to be infringing our intellectual property. We may in the future also find it necessary to assert claims regarding our intellectual property. These measures may not be sufficient or effective to protect our intellectual property. We also rely on laws, including those regarding copyrights and

trademarks to protect our intellectual property rights. Current laws, or the enforceability of such laws, specifically in foreign jurisdictions, may not adequately protect our intellectual property or our databases and the data contained in them. In addition, legal standards relating to the validity, enforceability and scope of protection of intellectual property rights in Internet related businesses are uncertain and evolving, and we cannot assure you of the future viability or value of any of our proprietary rights. Others may develop technologies similar or superior to our technology. A significant impairment of our intellectual property rights could require us to develop alternative intellectual property, incur licensing or other expenses or limit our product and service offerings.

***We have incurred increased costs and will continue to incur these costs as a result of being a public company.***

As a public company, we have incurred and will continue to incur significant levels of legal, accounting and other expenses. In addition, the Sarbanes Oxley Act of 2002 (“Sarbanes Oxley”), the Dodd-Frank Act and related rules of the Securities and Exchange Commission (the “SEC”) and the NYSE regulate corporate governance practices of public companies and impose significant requirements relating to disclosure controls and procedures and internal control over financial reporting. Compliance with these public company requirements has increased our costs, required additional resources and made some activities more time consuming. We are required to expend considerable time and resources complying with public company regulations.

***Actions of activist shareholders could cause us to incur substantial costs, divert management's attention and resources, and have an adverse effect on our business.***

We have been the subject of activity by activist shareholders in the past and shareholder activism generally is increasing. Responding to shareholder activism can be costly and time-consuming, disrupt our operations, and divert the attention of management and our employees from our strategic initiatives. Activist campaigns can create perceived uncertainties as to our future direction, strategy, or leadership and may result in the loss of potential business opportunities, harm our ability to attract new employees, investors, customers, and other partners, and cause our stock price to experience periods of volatility.

***If we do not meet the continued listing requirements of the NYSE our common stock may be delisted.***

Our common stock is listed on the NYSE. The NYSE requires us to continue to meet certain listing standards, including standards related to the trading price of our common stock, as well as our global market capitalization. While we are currently in compliance with the NYSE continued listing requirements, we cannot assure you that we will remain in compliance. If we do not meet the NYSE’s continued listing standards, we will be notified by the NYSE and we will be required to take corrective action to meet the continued listing standards; otherwise our common stock will be delisted from the NYSE. A delisting of our common stock on the NYSE would reduce the liquidity and market price of our common stock and the number of investors willing to hold or acquire our common stock, which could negatively impact our ability to access the public capital markets. A delisting would also reduce the value of our equity compensation plans, which could negatively impact our ability to retain key employees.

***Our stock price has been volatile in the past and may be subject to volatility in the future.***

The trading price of our common stock has been volatile in the past, including recent significant declines, and could be subject to fluctuations in response to various factors, some of which are beyond our control. Factors such as announcements of variations in our quarterly financial results and fluctuations in revenue could cause the market price of our common stock to fluctuate. Fluctuations in the valuation of companies perceived by investors to be comparable to us or in valuation metrics, such as our price to earnings ratio, could impact our stock price. Additionally, the stock markets have at times experienced price and volume fluctuations that have affected and might in the future affect the market prices of equity securities of many companies. These fluctuations have, in some cases, been unrelated or disproportionate to the operating performance of these companies. Further, the trading prices of publicly traded shares of companies in our industry have been particularly volatile and may be very volatile in the future. These broad market and industry fluctuations, as well as general economic, political and market conditions such as recessions, interest rate changes, international currency fluctuations or political unrest, may negatively impact the market price of our common stock.

***Failure to maintain effective internal control over financial reporting could have a material adverse effect on our business, operating results and stock price.***

Maintaining effective internal control over financial reporting is necessary for us to produce reliable financial reports and is important in helping to prevent financial fraud. If we are unable to maintain adequate internal controls, our business and operating results could be harmed. We are required to satisfy the requirements of Section 404 of Sarbanes Oxley and the related rules of the SEC, which require, among other things, our management to assess annually the effectiveness of our internal control over financial reporting and our independent registered public accounting firm to issue a report on that assessment. We may be unable to remedy deficiencies before the requisite deadlines for those reports. Any failure to remediate deficiencies noted by our independent registered public accounting firm or to implement required new or improved controls or difficulties encountered in their implementation could cause us to fail to meet our reporting obligations or result in material misstatements in our financial statements.



If our management or our independent registered public accounting firm were to conclude in their reports that our internal control over financial reporting was not effective, investors could lose confidence in our reported financial information, and the trading price of our stock could drop significantly.

***Our business is subject to U.S. and foreign government regulation of the Internet and taxation, which may have a material adverse effect on our business.***

Congress and various state and local governments, as well as the EU, have passed legislation that regulates various aspects of the Internet, including content, copyright infringement, user privacy, taxation, access charges, liability for third-party activities and jurisdiction. In addition, federal, state, local and foreign governmental organizations are also considering legislative and regulatory proposals that would regulate the Internet. Areas of potential regulation include libel, pricing, quality of products and services and intellectual property ownership. A number of proposals have been made at the state and local level that would impose taxes on the sale of goods and services through the Internet. Such proposals, if adopted, could substantially impair the growth of commerce over the Internet and could adversely affect our business, future results of operations, financial condition and liquidity. We may be subject to restrictions on our ability to communicate with our customers through email and phone calls. Several jurisdictions have proposed or adopted privacy related laws that restrict or prohibit unsolicited email or “spam.” These laws may impose significant monetary penalties for violations. For example, the CAN-SPAM Act of 2003, or “CAN-SPAM,” imposes complex and often burdensome requirements in connection with sending commercial email. Key provisions of CAN-SPAM have yet to be interpreted by the courts. Depending on how it is interpreted, CAN-SPAM may impose burdens on our email marketing practices or services we offer or may offer. Although CAN-SPAM is thought to have preempted state laws governing unsolicited email, the effectiveness of that preemption is likely to be tested in court challenges. If any of those challenges are successful, our business may be subject to state laws and regulations that may further restrict our email marketing practices and the services we may offer. The scope of those regulations is unpredictable. Because a number of these laws are relatively new and still in the process of being implemented, we do not know how courts will interpret these laws. Therefore, we are uncertain as to how new laws or the application of existing laws will affect our business.

Changes in laws or regulations that adversely affect the growth, popularity or use of the internet, including laws impacting net neutrality, could decrease the demand for our service and increase our cost of doing business. Certain laws intended to prevent network operators from discriminating against the legal traffic that traverse their networks have been implemented in many countries, including across the E.U. In others, the laws may be nascent or non-existent. Furthermore, favorable laws may change, including for example in the United States where the FCC voted to repeal existing net neutrality regulations. Given uncertainty around these rules, including changing interpretations, amendments or repeal, coupled with potentially significant political and economic power of local network operators, we could experience discriminatory or anti-competitive practices that could impede our growth, cause us to incur additional expense or otherwise negatively affect our business.

Due to the global nature of the Internet, it is possible that the governments of other states and foreign countries might attempt to regulate its transmissions or prosecute us for violations of their laws. We might unintentionally violate such laws or such laws may be modified and new laws may be enacted in the future. Any such developments (or developments stemming from enactment or modification of other laws) may significantly harm our business, operating results and financial condition.

***If our users or customers do not find our candidate profiles useful, it could adversely impact demand for our products and services and the growth of our business.***

Our product integrates publicly available data on the internet to create aggregated profiles of prospective candidates’ professional experience and other employment-related data. These profiles are made available to our customers through our TalentSearch product to help them identify prospective technical candidates in a way that reduces their need to search multiple websites, while delivering more relevant candidates and useful employment information to recruiters and employers that use it. While we have invested substantial resources into the development of our Unified Profile Index product, there can be no assurance that we will continue to be able to access the data that is necessary to create the candidate profiles used in this product. Technology companies, social and professional networking websites or other companies may develop technology which competes with our Unified Profile Index product or we may be prevented from aggregating the data we need to make this product useful, which could decrease the demand for this product. Moreover, candidates sought out through the socially aggregated profiles may not be interested in the opportunities presented to them by the recruiters and employers who use the product, which could decrease its demand. Any decrease in demand for our Unified Profile Index product may adversely affect our ability to differentiate ourselves from our competitors, which would have a material adverse effect on our business and operating results .

***If Internet search engines’ methodologies are modified or our search result page rankings decline for other reasons, our user engagement could decline.***

We depend in part on various Internet search engines, such as Google, Bing and Yahoo!, to direct a significant amount of traffic to our websites. Our ability to maintain the number of visitors directed to our websites is not entirely within our control.

Our competitors' search engine optimization, or SEO, efforts may result in their websites receiving a higher search result page ranking than ours, or Internet search engines could revise their methodologies in an attempt to improve their search results, which could adversely affect the placement of our search result page ranking. If search engine companies modify their search algorithms in ways that are detrimental to our new user growth or in ways that make it harder for our users to use our websites, or if our competitors' SEO efforts are more successful than ours, overall growth in our user base could slow, user engagement could decrease, and we could lose existing users. These modifications may be prompted by search engine companies entering the online professional networking market or aligning with competitors. Our websites have experienced fluctuations in search result rankings in the past, and we anticipate similar fluctuations in the future. Any reduction in the number of users directed to our websites would harm our business and operating results.

***We may not be able to halt the operations of websites that aggregate our data as well as data from other companies, including social networks, or copycat websites that have misappropriated our data in the past or may misappropriate our data in the future. These activities could harm our brand and our business.***

From time to time, third parties have misappropriated our data through website scraping, robots or other means and aggregated this data on their websites with data from other companies. In addition, "copycat" websites have misappropriated data on our network and attempted to imitate our brand or the functionality of our websites. These activities could degrade our brands and harm our business. When we have become aware of such websites, we have employed technological or legal measures in an attempt to halt their operations. However, we may not be able to detect all such websites in a timely manner and, even if we could, technological and legal measures may be insufficient to stop their operations. In some cases, particularly in the case of websites operating outside of the United States, our available remedies may not be adequate to protect us against such websites. Regardless of whether we can successfully enforce our rights against these websites, any measures that we may take could require us to expend significant financial or other resources.

***If our business fails to attract and retain users, particularly users who create and post original content on our web properties, our financial results will be adversely affected.***

Our reliance upon user-generated content requires that we develop and maintain tools and services designed to facilitate:

- creation of user-generated content;
- participation in discussion surrounding such user-generated content;
- evaluation of user-generated content; and
- distribution of user-generated content.

If our development efforts fail to facilitate such activities on our web properties, the level of user engagement and interaction will not increase and may decline. Even if we succeed in facilitating such activities on our sites, there can be no assurance that such improvements will be deployed in a timely or cost-effective manner.

If we fail to increase user engagement and interaction on our web properties, we will not attract and retain a loyal user base or the advertisers who desire to reach them, which will adversely affect our business and our ability to maintain or grow our revenue.

***We face risks relating to our foreign operations.***

We operate websites serving numerous markets around the world. For the year ended December 31, 2018, approximately 25% of our total revenues were generated outside of the United States. Certain of these amounts are collected in local currency. As a result of operating outside the United States, we are at risk for exchange rate fluctuations between such local currencies and the United States dollar. To date, we have not engaged in exchange rate hedging activities. Even if we were to implement hedging strategies to mitigate this risk, these strategies might not eliminate our exposure to foreign exchange rate fluctuations and would involve costs and risks of their own, such as ongoing management time and expertise, external costs to implement the strategies and potential accounting implications. We are also subject to taxation in foreign jurisdictions. In addition, transactions between our foreign subsidiaries and us may be subject to United States and foreign withholding taxes. Applicable tax rates in foreign jurisdictions differ from those of the United States, and change periodically. The extent, if any, to which we will receive credit in the United States for taxes we pay in foreign jurisdictions will depend upon the application of limitations set forth in the U.S. Internal Revenue Code, as well as the provisions of any tax treaties that may exist between the United States and such foreign jurisdictions. Our current or future international operations might not succeed for a number of reasons including:

- difficulties in staffing and managing foreign operations;
- competition from local recruiting services or employment advertising agencies;
- operational issues, such as longer customer payment cycles and greater difficulties in collecting accounts receivable;
- seasonal reductions in business activity;

- language and cultural differences;
- taxation issues;
- foreign exchange controls that might prevent us from repatriating income earned in countries outside the United States;
- credit risk;
- higher levels of payment fraud;
- multiple and conflicting laws and regulations, including complications due to unexpected changes in these laws and regulations;
- the burdens of complying with a wide variety of foreign laws and regulations;
- difficulties in enforcing intellectual property rights in countries other than the United States; and
- general political and economic trends.

***Our future growth depends on our ability to expand operations in international markets. We may have limited experience or we may need to rely on business partners in these markets, and our future growth will be materially adversely affected if we are unsuccessful in our international expansion efforts.***

We operate local websites in numerous markets around the world. Our future growth will depend significantly on our ability to expand our brands and product offerings in additional international markets. As we expand into new international markets, we may have only limited experience in marketing and operating our products and services in such markets. In other instances, we may have to rely on the efforts and abilities of foreign business partners in such markets. Certain international markets may be slower than domestic markets in adopting the online recruitment and advertising industry medium and, as a result, our operations in international markets may not develop at a rate that supports our level of investment. In addition, business practices in these new international markets may be unlike those in the other markets we serve and we may face increased exposure to fines and penalties under U.S. laws, such as the Foreign Corrupt Practices Act, the U.K. Anti-Bribery Act and local laws prohibiting corrupt payments to governmental officials. Although we have implemented policies and procedures designed to ensure compliance with these laws, we cannot be sure that our employees, contractors or agents will not violate our policies. Any such violations could materially damage our reputation, our brand, our international expansion efforts, our business and our operating results.

***We may be impacted by unfavorable decisions in proceedings related to future tax assessments.***

We operate in a number of jurisdictions and are from time to time subject to audits and reviews by various taxation authorities with respect to income, payroll, sales and use, and other taxes for current and past periods. We may become subject to future tax assessments by various authorities. The determination of our worldwide provision for income taxes and current and deferred tax assets and liabilities requires judgment and estimation. There are many transactions and calculations where the ultimate tax determination is uncertain. Although we believe our tax estimates are reasonable, the ultimate tax outcome may differ materially from the tax amounts recorded in our consolidated financial statements. Any amount we might be required to pay in connection with an ongoing audit or review or a future tax assessment may have a material adverse effect on our financial position, cash flows or overall results of operations.

***Taxation risks could subject us to liability for past sales and cause our future sales to decrease.***

We do not collect sales or use tax in certain jurisdictions on the services we provide in the United States. Our operations, and any future expansion of them, along with other aspects of our evolving business, may result in additional sales or use tax obligations.

Currently, the individual states' laws and regulations determine which services performed over the Internet are subject to sales tax. A number of states have been considering or have adopted initiatives that could impose sales tax on certain services delivered electronically. Additionally, many states have implemented laws or regulations requiring out-of-state vendors to collect sales tax following the U.S. Supreme Court's June 2018 decision in *Wayfair v. South Dakota, Inc.* regarding the tax filing obligations of remote sellers. If more states implement such laws or regulations, we could be required to collect sales tax in additional states. Also, a state may take the position that certain services we provide are subject to sales tax under existing regulations. The imposition by state and local governments of various taxes upon certain services delivered over the Internet could create administrative burdens for us, put us at a competitive disadvantage if they do not impose similar obligations on all of our online competitors and potentially decrease our future sales.

We collect indirect tax (including value added tax and goods and services tax) as applicable on services sold by us on some of our international sites. Additional foreign countries may seek to impose indirect tax collection obligations on us.

A successful assertion by one or more jurisdictions that we should collect sales tax or other indirect tax on the sale of services could result in substantial tax liabilities for past sales, decrease our ability to compete, and otherwise harm our business.

***Because we recognize most of our revenue from our contracts over the term of the agreement, a significant downturn in these businesses may not be immediately reflected in our operating results.***

We recognize revenue from sales of our recruiting contracts over the terms of the agreements, which, on average, is approximately 12 months. As a result, a significant portion of the revenue we report in each quarter is generated from agreements entered into during previous quarters. Consequently, a decline in new or renewed agreements in any one quarter may not significantly impact our revenue in that quarter but may, instead, negatively affect our revenue in future quarters. In addition, we may be unable to adjust our fixed costs in response to reduced revenue. Accordingly, the effect of significant declines in the sales of these offerings may not be reflected in our short-term results of operations.

***The UK's impending departure from the EU could adversely affect us.***

The U.K. held a referendum on June 23, 2016 on its membership in the E.U., in which a majority of voters in the U.K. voted to exit the E.U. (commonly referred to as "Brexit"). The U.K.'s departure from the E.U. is currently scheduled to take place on Friday, March 29, 2019. Brexit could cause disruptions to and create uncertainty surrounding our business, including affecting our relationships with our existing and future customers and employees based in the UK and Europe. For example, if as a result of Brexit, financial institutions move all or a portion of their operations out of the UK, it may result in decreased demand for jobs in the financial sector in the UK and could negatively impact the performance of our eFinancialCareers business. Further, the potential loss of the EU "passport," or any other potential restriction on free travel of UK citizens to Europe, and vice versa, could adversely impact the jobs market in general and our operations in Europe.

In addition, Brexit has resulted in significant volatility in the value of the British Pound Sterling and Euro currencies. Since our financial statements are denominated in U.S. dollars and we currently do not hedge currency risk, a decline in the value of the Pound or Euro may have an adverse impact on our financial condition and results of operations.

The ultimate effects of Brexit are uncertain and will depend on any agreements the UK makes to retain access to EU markets either during a transitional period or more permanently. Brexit could adversely affect European and worldwide economic and market conditions and could contribute to instability in global financial and foreign exchange markets. Uncertainty over the terms of the U.K.'s departure from the E.U. could harm our business and financial results. In addition, other E.U. member countries may consider referendums regarding their E.U. membership. These events, along with any political changes that may occur as a result of Brexit, could cause political and economic uncertainty in Europe. In addition, Brexit is likely to lead to legal uncertainty, including uncertainty regarding data protection, taxation, and potentially divergent national laws and regulations as the UK determines which EU laws to replace or replicate, including the GDPR. Any of these effects of Brexit, and others we cannot anticipate, could adversely affect our business, results of operations and financial condition.

***We rely on the services of third-party data center hosting facilities. Interruptions or delays in those services could impair the delivery of our service and harm our business.***

Our Dice, eFinancialCareers, and Clearancejobs, and Rigzone website applications utilize cloud computing technology. It is hosted pursuant to service agreements on technology platforms by third-party service providers, primarily through Amazon Web Services (AWS). We do not control the operation of these providers or their facilities, and the facilities are vulnerable to damage, interruption or misconduct. Unanticipated problems at these facilities could result in lengthy interruptions in our services. If the services of one or more of these providers are terminated, disrupted, interrupted or suspended for any reason, we could experience disruption in our ability to provide our services, which may harm our business and reputation. Further, any damage to, or failure of, the cloud services we use could result in interruptions in our services. Interruptions in our service may damage our reputation, reduce our revenue, cause us to issue credits or pay penalties, cause customers to terminate their agreements and adversely affect our renewal rates and our ability to attract new customers. While we believe our application and network architecture and use of multiple availability zones and regions within Amazon Web Services Cloud reduce our risk, our business would be harmed if our customers and potential customers believe our services are unreliable.

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

None.

#### **Item 2. Properties**

We do not own any properties. Our corporate headquarters are located at 1450 Broadway, 29th Floor, New York, New York, where we lease approximately 4,000 square feet. We lease approximately 45,000 square feet of office space in Urbandale, Iowa; 15,000 square feet of office space in London, England; and 28,000 square feet of office space in Centennial, Colorado. In addition, we have small offices in Cincinnati, Ohio; Frankfurt, Germany; Dubai, United Arab Emirates; Singapore; Hong Kong; Beijing, China; and Shanghai, China.

We are currently in the process of de-registering and liquidating our China locations as we no longer have ongoing trade purpose for them. During 2018, we subleased two of our leased properties. Our prior corporate headquarters, which was located at 1040 Avenue of Americas, New York, New York and included approximately 13,000 square feet, was subleased to a third party during the third quarter of 2018. We closed our San Jose office in the second quarter of 2018 and subleased the property, which included approximately 16,000 square feet, to a third party during the third quarter of 2018.

We believe that our facilities are generally adequate for current and anticipated future use, although we may from time to time lease additional facilities as operations require.

**Item 3. Legal Proceedings**

From time to time we may be involved in disputes or litigation relating to claims arising out of our operations. We are currently not a party to any material unrecorded pending legal proceedings. See also Note 9 of the Notes to Consolidated Financial Statements.

**Item 4. Mine Safety Disclosures**

None.

**PART II**

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

**Market Information**

Our common stock is listed on the NYSE under the ticker symbol “DHX”. We have not listed our stock on any other markets or exchanges. Prior to July 18, 2007, there was no public market for our common stock.

**Holder**

As of December 31, 2018, there were 23 stockholders of record of our common stock. A significant number of the outstanding shares of common stock which are beneficially owned by individuals and entities are registered in the name of Cede & Co. Cede & Co. is a nominee of The Depository Trust Company, a securities depository for banks and brokerage firms.

**Dividend Policy**

We have not declared or paid any cash dividends on our stock as a public company. We currently anticipate that all future earnings will be retained by the Company to support our long-term growth strategy. Accordingly, we do not anticipate paying periodic cash dividends on our stock for the foreseeable future.

Furthermore, we are restricted by our Credit Agreement in the amount of cash dividends that we can pay.

The payment of any future dividends will be at the discretion of our board of directors and subject to the Credit Agreement and will depend upon, among other things, future earnings, operations, capital requirements, our general financial condition, contractual restrictions and general business conditions.

**Repurchases of Equity Securities**

Our board of directors approved a stock repurchase program that permitted the Company to repurchase our common stock. The following table summarizes the stock repurchase plans approved by the board of directors:

	VI	VII
Approval Date	December 2015	May 2018
Authorized Repurchase Amount of Common Stock	\$50 million	\$7 million
Effective Dates	December 2015 to December 2016	May 2018 to May 2019

The Company is currently under the Stock Repurchase Plan VII, which will be in effect for up to one year. Under each plan, management has discretion in determining the conditions under which shares may be purchased from time to time.

During the three months ended December 31, 2018, purchases of our common stock pursuant to the Stock Repurchase Plans were as follows:

Period	(a) Total Number of Shares Purchased [1]	(b) Average Price Paid per Share [2]	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	(d) Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
October 1 through October 31, 2018	270,666	\$ 1.82	270,666	5,666,227
November 1 through November 30, 2018	169,144	\$ 1.78	169,144	5,378,290
December 1 through December 31, 2018	244,313	\$ 1.62	244,313	5,022,517
Total	684,123	\$ 1.74	684,123	

[1] No shares of our common stock were purchased other than through a publicly announced plan or program.

[2] Average price paid per share includes costs associated with the repurchases.

#### Securities Authorized for Issuance under Equity Compensation Plans

The following table sets forth information required by this item as of December 31, 2018 regarding compensation plans under which the Company's equity securities are authorized for issuance:

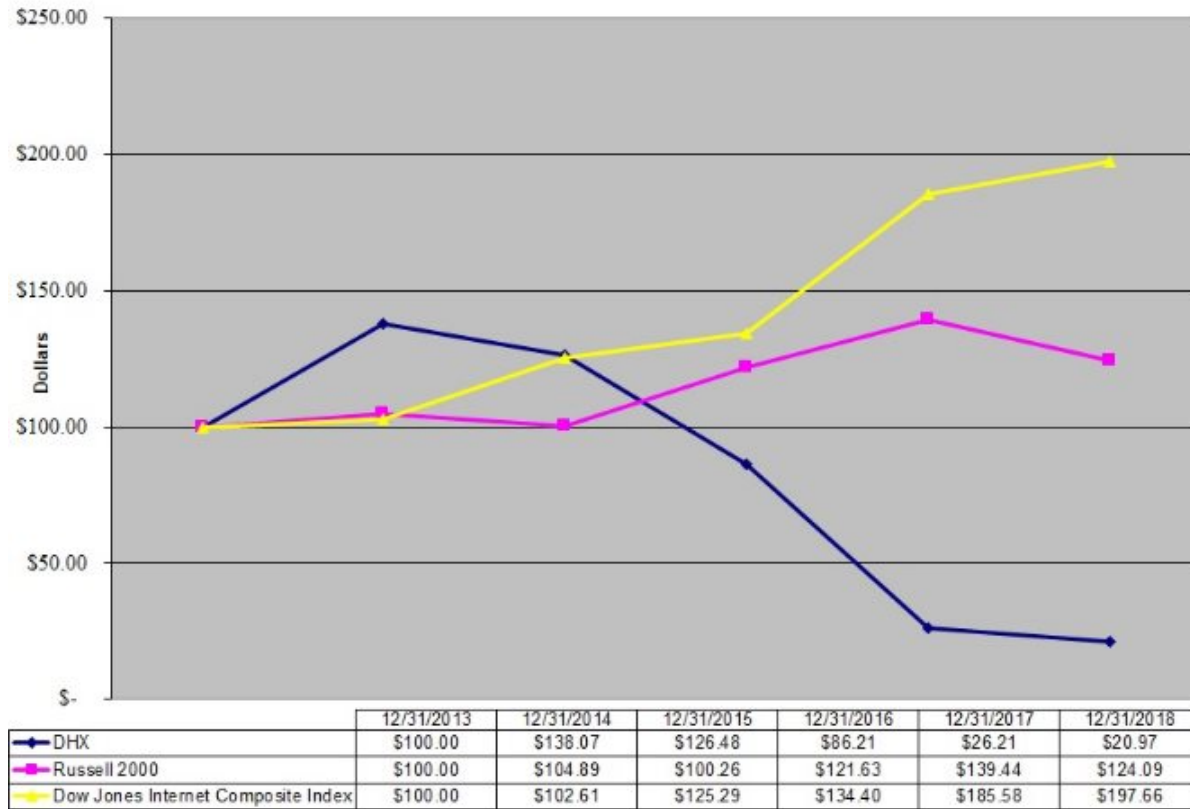
Plan Category	(a) Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights	(b) Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (\$)	(c) Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a))
Equity compensation plans approved by security holders	327,000	\$ 8.35	4,471,823
Equity compensation plans not approved by security holders	n/a	n/a	n/a
Total	327,000	\$ 8.35	4,471,823

For material features of the plans, see Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies—Stock and Stock-Based Compensation."

#### Performance Graph

The following graph shows the total shareholder return of an investment of \$100 in cash on December 31, 2013 through December 31, 2018 (the last trading day of our common stock on the NYSE in 2018 ) for (i) our common stock, (ii) the Russell 2000 and (iii) the Dow Jones Internet Composite Index, at the closing price on December 31, 2018 . All values assume reinvestment of the full amount of all dividends, if any.

Comparative Returns



The returns shown on the graph do not necessarily predict future performance. The performance graph is not deemed “filed” with the SEC.

**Item 6. Selected Financial Data**

The information set forth below should be read in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our consolidated financial statements and related notes included elsewhere in this Annual Report on Form 10-K (this “Annual Report”).

The following consolidated statements of operations data for the years ended December 31, 2018, 2017 and 2016 and the consolidated balance sheet data as of December 31, 2018 and 2017 have been derived from the audited consolidated financial statements and related notes of DHI Group, Inc. for such years, which are included elsewhere in this Annual Report. The consolidated statements of operations data for the years ended December 31, 2015 and 2014 and the consolidated balance sheet data as of December 31, 2016, 2015 and 2014 have been derived from the audited consolidated financial statements and related notes of DHI Group, Inc. for such years, which are not included in this Annual Report.

	For the year ended December 31,				
	2018 (5)	2017 (4)	2016 (3)	2015 (2)	2014 (1)
	(in thousands, except per share information)				
Revenues	\$ 161,570	\$ 207,950	\$ 226,970	\$ 259,769	\$ 262,615
Operating expenses	153,247	195,077	223,579	253,414	216,011
Other operating income	3,369	9,992	—	—	—
Operating income	11,692	22,865	3,391	6,355	46,604
Income (loss) from operations before income taxes	9,602	19,397	(119)	3,041	42,849
Net income (loss)	\$ 7,174	\$ 15,978	\$ (5,398)	\$ (10,968)	\$ 27,612
Basic earnings (loss) per share	\$ 0.15	\$ 0.33	\$ (0.11)	\$ (0.21)	\$ 0.53
Diluted earnings (loss) per share	\$ 0.14	\$ 0.33	\$ (0.11)	\$ (0.21)	\$ 0.51
Weighted average shares outstanding:					
Basic	48,520	47,908	48,319	51,402	52,328
Diluted	49,605	48,230	48,319	51,402	54,410

	For the year ended December 31,				
	2018 (5)	2017 (4)	2016 (3)	2015 (2)	2014 (1)
	(in thousands)				
<b>Other Financial Data:</b>					
Net cash from operating activities	\$ 14,918	\$ 34,409	\$ 44,997	\$ 63,159	\$ 58,668
Depreciation and amortization	9,762	11,890	16,636	23,192	27,201
Capital expenditures	(10,053)	(13,222)	(11,699)	(9,078)	(8,710)
Net cash from (used in) investing activities	7,489	(775)	(10,770)	(9,078)	(35,711)
Net cash used in financing activities	(27,174)	(44,781)	(44,634)	(47,012)	(34,538)

	At December 31,				
	2018 (5)	2017 (4)	2016 (3)	2015 (2)	2014 (1)
	(in thousands)				
<b>Balance Sheet Data:</b>					
Cash and cash equivalents	\$ 6,472	\$ 12,068	\$ 22,987	\$ 34,050	\$ 26,777
Acquired intangible assets, net	39,000	45,737	49,120	65,292	81,345
Goodwill	153,974	170,791	171,745	198,598	239,256
Total assets	258,385	295,718	310,095	368,935	422,636
Deferred revenue	56,086	83,646	84,615	83,316	86,444
Long-term debt, including current portion	17,288	41,450	84,760	99,436	109,180
Total stockholders' equity	145,355	132,641	103,883	138,613	177,798

- (1) Reflects the OilCareers acquisition in March 2014.
- (2) Reflects impairment of goodwill of \$34.8 million related to the Energy reporting unit.
- (3) Reflects the sale of Slashdot Media in January 2016 and the impairment of goodwill and intangible assets of \$24.6 million related to the Energy reporting unit.
- (4) Reflects the sale of Health eCareers on December 4, 2017 and the discontinuance of getTalent in the third quarter of 2017.
- (5) Reflects the transfer of majority ownership of the BioSpace business to BioSpace management on January 31, 2018, sale of the RigLogix portion of the Rigzone business on February 20, 2018, sale of Hcareers on May 22, 2018, transfer of majority ownership of the remaining Rigzone business to Rigzone management on August 31, 2018, and Dice Europe ceased operations August 31, 2018. On January 1, 2018, the Company adopted Topic 606, Revenue from Contracts with Customers. Refer to Note 3 of the Notes to Consolidated Financial Statements.

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

The following discussion should be read in conjunction with Item 6. "Selected Financial Data," and our consolidated financial statements and the related notes included elsewhere in this Annual Report. Certain statements we make under this Item 7 constitute "Forward-Looking Statements" under the Private Securities Litigation Reform Act of 1995. See also "Note Concerning Forward-Looking Statements."

You should keep in mind that any forward-looking statement made by us herein, or elsewhere, speaks only as of the date on which it is made. New risks and uncertainties come up from time to time, and it is impossible to predict these events or how they



may affect us. We have no obligation to update any forward-looking statements after the date hereof, except as required by applicable law.

## Overview

We are a leading provider of data, insights and connections through our specialized services for professional communities including technology and security clearance and financial services. The Company exited the energy industry with the sale of the RigLogix portion of the Rigzone business on February 20, 2018 and the transfer of majority ownership of the remaining Rigzone business to Rigzone management on August 31, 2018. The Company exited the hospitality industry with the sale of Hcareers on May 22, 2018. Our mission is to empower professionals and organizations to compete and win through specialized insights and relevant employment connections. Employers and recruiters use our websites and services to source and hire the most qualified professionals in select and highly-skilled occupations, while professionals use our websites and services to find the best employment opportunities in and the most timely news and information about their respective areas of expertise.

In online recruitment, we target employment categories in which there has been a long-term scarcity of highly skilled, highly qualified professionals relative to market demand. Our websites serve as online marketplaces where employers and recruiters find and recruit prospective employees, and where professionals find relevant job opportunities and information to further their careers.

Our websites offer job postings, news and content, career development and recruiting services tailored to the specific needs of the professional community that each website serves.

Through our predecessors, we have been in the recruiting and career development business for more than 25 years. Based on our operating structure, we have identified one reportable segment under the Segment Reporting topic of the FASB Accounting Standards Codification (ASC) as follows:

- Tech-focused— Dice, Dice Europe (ceased operations on August 31, 2018), ClearanceJobs, eFinancialCareers, Brightmatter excluding getTalent (absorbed into Tech-focused in the third quarter of 2017 and formerly in Corporate & Other) services.

Dice, Dice Europe (ceased operations on August 31, 2018), ClearanceJobs, and eFinancialCareers are aggregated into the Tech-focused reportable segment primarily because the Company does not have discrete financial information for those brands individually.

We had other services and activities that individually were not a significant portion of consolidated revenues, operating income or total assets. These include Hospitality (business sold May 22, 2018), Rigzone (sold the RigLogix portion of the Rigzone business on February 20, 2018 and transferred majority ownership of the remaining Rigzone business to Rigzone management on August 31, 2018), and BioSpace (transferred majority ownership to BioSpace management on January 31, 2018) (each formerly in the Global Industry Group), Slashdot Media (business sold in the first quarter of 2016) and getTalent services (discontinued in the third quarter of 2017), which are reported in the “Corporate & Other” category, along with corporate-related costs which are not considered in a segment.

## Our Revenues and Expenses

We derive the majority of our revenues from customers who pay fees, either annually, quarterly or monthly, to post jobs on our websites and to access our searchable databases of resumes. Our fees vary by customer based on the number of individual users of our databases of resumes, the number and type of job postings purchased and the terms of the package purchased. Our Tech-focused segment sells recruitment packages that can include both access to our databases of resumes and job posting capabilities. Our Corporate & Other services sells job postings and access to our resume databases either as part of a package or individually. We believe the key metrics that are material to an analysis of our businesses are our total number of Dice recruitment package customers and the revenue, on average, that these customers generate. Average monthly revenue per recruitment package customer is calculated by dividing recruitment package customer revenue by the daily average count of recruitment package customers during the month, adjusted to reflect a thirty day month. We use the simple average of each month to derive the quarterly amount. At December 31, 2018 and 2017, Dice had approximately 6,200 and 6,450 total recruitment package customers in the U.S., respectively, and the average monthly revenue per U.S. recruitment package customer increased from \$ 1,110 for the year ended December 31, 2017 to \$ 1,119 for the year ended December 31, 2018. Deferred revenue is a key metric of our business as it indicates a level of sales already invoiced that will be recognized as revenue in the future. Deferred revenue reflects the impact of our ability to sign customers to longer term contracts. We recorded deferred revenue of \$ 56.1 million at December 31, 2018 and \$ 83.6 million at December 31, 2017. The lower deferred revenue is due to the divested businesses and increased flexibility in the Company's billing terms to customers to bring them in line with market standards.

We also generate revenue from advertising on our various websites or from lead generation and marketing solutions provided to our customers. Advertisements include various forms of rich media and banner advertising, text links, sponsorships, and custom content marketing solutions. Lead generation information utilizes advertising and other methods to deliver leads to a customer.

The Company's revenues for the year ended December 31, 2018 declined year-over-year in each of our brands except ClearanceJobs and eFinancialCareers. The declines are due to many factors including macroeconomic impacts and evolutions in the digital recruitment market. Foreign currency, primarily changes in the USD:GBP exchange rates, contributed \$0.9 million of the year-over-year revenue increase in eFinancialCareers. The digital recruitment market continues to be impacted by attribution, which reflects our ability to receive the proper credit for value delivered to customers based on our customers' internal tracking systems. Demonstrating attribution for candidates provided to each customer is a key initiative for the Company. However, attribution challenges have contributed to lower renewal rates as demonstrated by the reduction in recruitment package customer count at Dice. The rate of revenue decline for Dice was reduced during 2018 with a decline of 4% and 7% for the quarter and year ended December 31, 2018, respectively, compared to 10% and 11% for the same periods of 2017.

The Company continues to evolve and present new products to attract and engage qualified professionals and match them with employers including the new TalentSearch platform and real-time salary prediction tools. Our ability to grow our revenues will largely depend on our ability to grow our customer bases in the markets in which we operate by acquiring new customers and advertisers while retaining a high proportion of the customers we currently serve, and to expand the breadth of services our customers purchase from us. We continue to make investments in our business and infrastructure to help us achieve our long-term growth objectives.

Other material factors that may affect our results of operations include our ability to attract qualified professionals that become engaged with our websites and our ability to attract customers with relevant job opportunities. The greater the number of qualified professionals that use our websites, the more attractive our websites become to employers and advertisers, which in turn makes them more likely to become our customers, resulting positively on our results of operations. If we are unable to continue to attract qualified professionals to engage with our websites, our customers may no longer find our services attractive, which could have a negative impact on our results of operations. Additionally, we need to ensure that our websites remain relevant in order to attract qualified professionals to our websites and to engage them in high-valued tasks, such as posting resumes and/or applying to jobs.

The largest components of our expenses are personnel related costs and marketing and sales expenditures. Personnel costs consist of salaries, benefits, and incentive compensation for our employees, including commissions for salespeople. Personnel costs are categorized in our statement of operations based on each employee's principal function. Marketing expenditures primarily consist of online advertising, brand promotion and lead generation to employers and job seekers.

### **Critical Accounting Policies**

This discussion of our financial condition and results of operations is based upon our consolidated financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of these financial statements requires us to make estimates, judgments and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and related disclosure of contingent assets and liabilities. On an ongoing basis, we evaluate our estimates, including those related to revenue, goodwill and intangible assets, stock-based compensation and income taxes. We based our estimates of the carrying value of certain assets and liabilities on historical experience and on various other assumptions that we believe are reasonable. In many cases, we could reasonably have used different accounting policies and estimates. In some cases, changes in the accounting estimates are reasonably likely to occur from period to period. Our actual results may differ from these estimates under different assumptions or conditions. We believe the following critical accounting policies affect our more significant judgments used in the preparation of our consolidated financial statements.

#### *Revenue Recognition*

On January 1, 2018, we adopted Topic 606 applying the modified retrospective method to all contracts that were not completed as of January 1, 2018. Results for periods beginning after January 1, 2018 are presented under Topic 606, while prior periods are reported under the accounting standards in effect for the period presented.

Under Topic 606, we recognize revenue when control of the promised goods or services is transferred to our customers at an amount that reflects the consideration to which we expect to receive in exchange for those goods or services. Revenue is recognized net of customer discounts ratably over the service period. Customer billings delivered in advance of services being rendered are recorded as deferred revenue and recognized over the service period. We generate revenues from the following sources:

*Recruitment packages* . Recruitment package revenues are derived from the sale to recruiters and employers of a combination of job postings and access to a searchable database of candidates on the Dice, ClearanceJobs, eFinancialCareers, and Rigzone (sold the RigLogix portion of the Rigzone business on February 20, 2018 and transferred majority ownership of the remaining Rigzone business to Rigzone management on August 31, 2018) websites. Certain of the Company's arrangements include multiple performance obligations, which primarily consists of the ability to post jobs and access to a searchable database of candidates. The Company determines the units of accounting for multiple performance obligations in accordance with Topic 606. Specifically, the Company considers a performance obligation as a separate unit of accounting if it has value to the customer on a standalone basis. The Company's arrangements do not include a general right of return. Services to customers buying a package of available job postings and access to the database are delivered over the same period and revenue is recognized ratably over the length of the underlying contract, typically from one to twelve months. The separation of the package into two deliverables results in no change in revenue recognition since delivery of the two services occurs over the same time period.

*Advertising revenue*. Advertising revenue is recognized over the period in which the advertisements are displayed on the websites or at the time a promotional e-mail is sent out to the audience.

*Classified revenue*. Classified job posting revenues are derived from the sale of job postings to recruiters and employers. A job posting is the ability to list a job on the website for a specified time period. Revenue from the sale of classified job postings is recognized ratably over the length of the contract or the period of actual usage.

*Data services revenue*. Access to the Company's database of energy industry data is provided to customers for a fee. Data services revenue is recognized ratably over the length of the underlying contract, typically from one to twelve months. The data services business, called RigLogix, was sold on February 20, 2018.

*Career fair and recruitment event booth rentals* . Career fair and recruitment event revenues are derived from renting booth space to recruiters and employers. Revenue from these sales are recognized when the career fair or recruitment event is held.

#### *Goodwill*

We record goodwill when the purchase price paid for an acquisition exceeds the estimated fair value of the net identified tangible and intangible assets acquired.

We determine whether the carrying value of recorded goodwill is impaired on an annual basis or more frequently if indicators of potential impairment exist. In testing goodwill for impairment, a qualitative assessment can be performed and if it is determined that the fair value of the reporting unit is more likely than not less than the carrying amount, the impairment review process compares the fair value of the reporting unit in which the goodwill resides to the carrying value of that reporting unit. If the fair value of the reporting unit is less than its carrying amount, an impairment charge is recorded for the amount the carrying value exceeds the fair value. Our annual impairment test for goodwill is performed on October 1 on the Tech-focused reporting unit.

The annual impairment tests for the Tech-focused reporting unit, which were performed as of October 1, 2018 and 2017, resulted in the fair value of the reporting unit exceeding the carrying value by 40% and 1%, respectively. The improved fair value as compared to the carrying value as of October 1, 2018 is primarily driven by improved operating results and projections and a reduction in the estimated tax rate from 36% at October 1, 2017 to 26% at October 1, 2018. Results for the Tech-focused reporting unit for the fourth quarter of 2018 and estimated future results as of December 31, 2018 are consistent with the October 1, 2018 analysis. As a result, the Company believes it is not more likely than not that the fair value of the reporting units is less than the carrying value as of December 31, 2018. Therefore, no interim impairment testing was performed as of December 31, 2018.

The amount of goodwill as of December 31, 2018 allocated to the Tech-focused reporting unit was \$154.0 million. Determining the fair value of a reporting unit is judgmental in nature and requires the use of estimates and key assumptions, particularly assumed discount rates and projections of future operating results. The discount rate applied for the Tech-focused reporting unit was 14.3%. An increase to the discount rate applied or reductions to future projected operating results could result in future impairment of the Tech-focused reporting unit's goodwill. It is reasonably possible that changes in judgments, assumptions and estimates the Company made in assessing the fair value of goodwill could cause the Company to consider some portion or all of the goodwill of the Tech-focused reporting unit to become impaired. In addition, a future decline in the overall market conditions and/or changes in the Company's market share could negatively impact the estimated future cash flows and discount rates used to determine the fair value of the reporting unit and could result in an impairment charge in the foreseeable future.

During the year ended December 31, 2016, an impairment of \$15.4 million was recorded at the Energy reporting unit. The fair value of this reporting unit was determined by a combination of a discounted cash flow methodology and market comparable method. Cash flow projections for this reporting unit decreased during 2016 due to a decline in financial performance resulting from declining oil prices. The charge is reflected as Impairment of Goodwill on the Consolidated Statements of Operations.

The determination of whether or not goodwill has become impaired involves a significant level of judgment in the assumptions underlying the approach used to determine the value of our reporting unit. Fair values are determined either by using a discounted cash flow methodology or by using a combination of a discounted cash flow methodology and a market comparable method. The discounted cash flow methodology is based on projections of the amounts and timing of future revenues and cash flows, assumed discount rates and other assumptions as deemed appropriate. We consider factors such as historical performance, anticipated market conditions, operating expense trends and capital expenditure requirements. Additionally, the discounted cash flows analysis takes into consideration cash expenditures for product development, other technological updates and advancements to our websites and investments to improve our candidate databases. The market comparable method indicates the fair value of a business by comparing it to publicly traded companies in similar lines of business or to comparable transactions or assets. Considerations for factors such as size, growth, profitability, risk and return on investment are analyzed and compared to the comparable businesses and adjustments are made. A market value of invested capital of the publicly traded companies is calculated and then applied to the entity's operating results to arrive at an estimate of value. Changes in our strategy and/or market conditions could significantly impact these judgments and require adjustments to recorded amounts of goodwill.

#### *Indefinite-Lived Acquired Intangible Assets*

The indefinite-lived acquired intangible assets include the Dice trademarks and brand name. The Dice trademark, trade name and domain name is one of the most recognized names of online recruiting and career development. Since Dice's inception in 1991, the brand has been recognized as a leader in recruiting and career development services for technology and engineering professionals. Currently, the brand is synonymous with the most specialized online marketplace for industry-specific talent. The brand has a significant online and offline presence in online recruiting and career development services. Considering the recognition and the awareness of the Dice brand in the talent acquisition and staffing services market, Dice's long operating history and the intended use of the Dice brand, the remaining useful life of the Dice trademark, trade name and domain name was determined to be indefinite.

We determine whether the carrying value of recorded indefinite-lived acquired intangible assets is impaired on an annual basis or more frequently if indicators of potential impairment exist. The impairment review process compares the fair value of the indefinite-lived acquired intangible assets to its carrying value. If the carrying value exceeds the fair value, an impairment loss is recorded. The impairment test performed as of October 1, 2018 and 2017 resulted in the fair value of the Dice trademarks and brand exceeding the carrying value by 2% and 4%, respectively.

Revenue attributable to the Dice trademarks and brand name have declined during the year ended December 31, 2018 due to competition in the technology recruiting market, challenges in developing and introducing new products and product enhancements to the market and the Company's ability to attribute value delivered to customers. Revenues related to the Dice trademarks and brand name declined 7% and 10% for the years ended December 31, 2018 and 2017, respectively, and declined 4% and 10% for the three months ended December 31, 2018 and 2017, respectively. The rate of revenue decline narrowed throughout 2018. Revenue projections for the year ended December 31, 2019 and beyond include a modest increase compared to the year ended December 31, 2018. The Company's ability to achieve these revenue projections may be impacted by, among other things, the factors noted above that have contributed to the decline in recent periods. Cash flows attributable to the Dice trademarks and brand name declined during 2018 as a result of the lower revenue, as well as increased spending focused on new and enhanced products and consulting fees related to expense reduction strategies. Operating expenses, excluding amortization expense, impairment charges and disposition related and other costs, are projected to slightly decline for the year ended December 31, 2019 as compared to the year ended December 31, 2018 and then increase at levels that allow for modest operating margin improvements. If future cash flows attributable to the Dice trademark are not achieved, the Company could realize an impairment in a future period. The Company utilized a relief from royalty rate method to value the Dice trademarks and brand name using a royalty rate of 6.0% based on comparable industry studies and improving operating margins and a discount rate of 15.3%.

The determination of whether or not indefinite-lived acquired intangible assets have become impaired involves a significant level of judgment in the assumptions underlying the approach used to determine the value of the indefinite-lived acquired intangible assets. We consider factors such as historical performance, anticipated market conditions, operating expense trends and capital expenditure requirements. Changes in our strategy and/or market conditions could significantly impact these judgments and require adjustments to recorded amounts of intangible assets.

#### *Income Taxes*

We utilize the asset and liability method of accounting for income taxes. Under this method, deferred income taxes are recognized for differences between the financial statement and tax bases of assets and liabilities at enacted statutory tax rates in effect for the years in which the differences are expected to reverse. Valuation allowances are established when necessary to reduce deferred tax assets to the amounts expected to be realized.

The calculation of our tax liabilities involves dealing with uncertainties in applying tax laws and regulations in numerous jurisdictions. Tax benefits from uncertain tax positions are recognized when it is more likely than not that the positions will be sustained upon examination, including resolutions of any related appeals or litigation processes, based on the technical merits. Because of the complexity of some of these uncertainties, the ultimate resolution could result in a payment that is materially different from our current estimate of the accrual for unrecognized tax benefits.

#### *Stock and Stock Based Compensation*

Under our 2012 Omnibus Equity Award Plan, we have granted stock options, restricted stock and Performance-Based Restricted Stock Units (“PSUs”) to certain of our employees and directors. Compensation expense is recorded for stock awards made to employees and directors in return for service to the Company. The expense is measured at the fair value of the award on the date of grant and recognized as compensation expense on a straight-line basis over the service period, which is the vesting period. The fair value of PSUs granted during 2016 and 2017, which included market based performance measures, are measured using the Monte Carlo pricing model. The fair value of the PSUs granted in 2018, which include internal performance measures, is determined based on the most probable performance outcome. The expense related to the PSUs is recorded over the vesting period.

#### **Recent Developments**

None.

#### **Cyclicality**

The labor market and certain of the industries that we serve have historically experienced short-term cyclicality. However, we believe that online career websites continue to provide economic and strategic value to the labor market and industries that we serve.

Any slowdown in recruitment activity that occurs will negatively impact our revenues and results of operations. Alternatively, a decrease in the unemployment rate or a labor shortage, including as a result of an increase in job turnover, generally means that employers (including our customers) are seeking to hire more individuals, which would generally lead to more job postings and database licenses and have a positive impact on our revenues and results of operations. Based on historical trends, improvements in labor markets and the need for our services generally lag behind overall economic improvements. Additionally, there has historically been a lag from the time customers begin to increase purchases of our recruitment services and the impact to our revenues due to the recognition of revenue occurring over the length of the contract, which can be several months to a year.

From the second half of 2011 into 2014, we saw tougher market conditions in our finance segment and a less urgent recruiting environment for technology professionals. If recruitment is slow in the industries in which we operate during 2019 and beyond, our revenues and results of operations will be negatively impacted.

#### **Results of Operations**

Our historical financial information discussed in this Annual Report has been derived from the Company’s financial statements and accounting records for the years ended December 31, 2018, 2017 and 2016. Consolidated operating results and consolidated operating results as a percent of revenue follows:

(in thousands)	For the year ended December 31,				
	2018	2017	2016	2018 vs 2017	2017 vs 2016
<b>Revenues</b>	\$ 161,570	\$ 207,950	\$ 226,970	\$ (46,380)	\$ (19,020)
Operating expenses:					
Cost of revenues	18,344	29,974	32,126	(11,630)	(2,152)
Product development	20,212	24,984	25,714	(4,772)	(730)
Sales and marketing	59,721	80,508	77,451	(20,787)	3,057
General and administrative	37,589	40,749	43,684	(3,160)	(2,935)
Depreciation	9,280	9,752	9,849	(472)	(97)
Amortization of intangible assets	482	2,138	6,787	(1,656)	(4,649)
Impairment of goodwill	—	—	15,369	—	(15,369)
Impairment of fixed and intangible assets	—	2,226	9,252	(2,226)	(7,026)
Disposition related and other costs	7,619	4,746	3,347	2,873	1,399
<b>Total operating expenses</b>	<b>153,247</b>	<b>195,077</b>	<b>223,579</b>	<b>(41,830)</b>	<b>(28,502)</b>
Other operating income:					
Gain on sale of businesses	3,369	6,699	—	(3,330)	6,699
Proceeds from restitution award	—	3,293	—	(3,293)	3,293
<b>Total other operating income</b>	<b>3,369</b>	<b>9,992</b>	<b>—</b>	<b>(6,623)</b>	<b>9,992</b>
<b>Operating income</b>	<b>\$ 11,692</b>	<b>\$ 22,865</b>	<b>3,391</b>	<b>\$ (11,173)</b>	<b>\$ 19,474</b>

	For the year ended December 31,		
	2018	2017	2016
<b>Revenues</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Operating expenses:			
Cost of revenues	11.4%	14.4%	14.2%
Product development	12.5%	12.0%	11.3%
Sales and marketing	37.0%	38.7%	34.1%
General and administrative	23.3%	19.6%	19.2%
Depreciation	5.7%	4.7%	4.3%
Amortization of intangible assets	0.3%	1.0%	3.0%
Impairment of goodwill	—%	—%	6.8%
Impairment of intangible assets	—%	1.1%	4.1%
Disposition related and other costs	4.7%	2.3%	1.5%
<b>Total operating expenses</b>	<b>94.8%</b>	<b>93.8%</b>	<b>98.5%</b>
Other operating income:			
Gain on sale of businesses	2.1%	3.2%	—%
Proceeds from restitution award	—%	1.6%	—%
<b>Total other operating income</b>	<b>2.1%</b>	<b>4.8%</b>	<b>—%</b>
<b>Operating income</b>	<b>7.2%</b>	<b>11.0%</b>	<b>1.5%</b>

**Comparison of Years Ended December 31, 2018 and 2017**
*Revenues*

	Year Ended December 31,			Percent Change
	2018	2017	Increase (Decrease)	
	(in thousands, except percentages)			
<b>Tech-focused</b>				
Dice (1)	\$ 94,438	\$ 101,471	\$ (7,033)	(6.9)%
eFinancialCareers	33,758	32,480	1,278	3.9 %
ClearanceJobs	21,086	17,342	3,744	21.6 %
Dice Europe	2,976	7,105	(4,129)	(58.1)%
<b>Tech-focused</b>	<b>152,258</b>	<b>158,398</b>	<b>(6,140)</b>	<b>(3.9)%</b>
<b>Healthcare</b>	<b>—</b>	<b>24,354</b>	<b>(24,354)</b>	<b>n.m.</b>
<b>Corporate &amp; Other</b>				
Hcareers	5,329	14,368	(9,039)	(62.9)%
Rigzone	3,771	7,171	(3,400)	(47.4)%
BioSpace	212	3,592	(3,380)	(94.1)%
Slashdot Media and getTalent	—	67	(67)	(100.0)%
<b>Corporate &amp; Other</b>	<b>9,312</b>	<b>25,198</b>	<b>(15,886)</b>	<b>(63.0)%</b>
<b>Total revenues</b>	<b>\$ 161,570</b>	<b>\$ 207,950</b>	<b>\$ (46,380)</b>	<b>(22.3)%</b>

(1) Includes Dice US, and Targeted Job Fairs

We experienced a decrease in the Tech-focused segment revenue of \$6.1 million , or 3.9% . Revenue at Dice U.S. decreased by \$7.0 million , or 6.9%, for the year ended December 31, 2018 compared to the same period of 2017. The rate of Dice U.S. revenue decline narrowed throughout the 2018 period, as compared to the 2017 period. The lower Dice U.S. revenues were a result of competition in the technology recruiting market, challenges in developing and introducing new products and product enhancements to the market, and the Company's ability to attribute value delivered to customers. Recruitment package customer count in the U.S. decreased from 6,450 at December 31, 2017 to 6,200 at December 31, 2018 while average monthly revenue per U.S. recruitment package customer increased from \$1,110 to \$1,119 for the years ended December 31, 2017 and 2018, respectively. Dice Europe revenue decreased by \$4.1 million as compared to the same period in 2017 primarily due to Dice Europe ceasing operations on August 31, 2018. Revenues for ClearanceJobs increased by \$3.7 million for the year ended December 31, 2018 as compared to the same period in 2017 , primarily due to continuing strong market conditions and enhanced product offerings. eFinancialCareers revenue increased \$1.3 million compared to 2017 primarily due to a positive impact of foreign exchange of \$0.9 million , coupled with strong renewals and new business activity in its Asia market.

Healthcare segment revenue, consisting of Health eCareers, decreased as a result of Health eCareers being sold on December 4, 2017.

Revenues from the Corporate & Other segment decreased by \$15.9 million , or 63.0% , primarily due to the transfer of the majority ownership of BioSpace to BioSpace management on January 31, 2018, the sale of the RigLogix portion of the Rigzone business on February 20, 2018, sale of Hcareers on May 22, 2018, and transfer of the majority ownership of the remaining Rigzone business to Rigzone management on August 31, 2018. Subsequent to the divestiture dates, BioSpace and Rigzone are no longer included in the Company's consolidated financial results.

*Cost of Revenues*

	Year Ended December 31,			Percent Change
	2018	2017	Decrease	
	(in thousands, except percentages)			
Cost of revenues	\$ 18,344	\$ 29,974	\$ (11,630)	(38.8)%
Percentage of revenues	11.4%	14.4%		

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Cost of revenues decreased by \$11.6 million , or 38.8% , as the Healthcare segment decreased by \$8.6 million as a result of the sale of Health eCareers on December 4, 2017. Corporate & Other cost of revenues decreased \$2.2 million primarily due to the divested businesses. The Tech-focused segment decreased \$0.8 million, which was primarily due to Dice Europe ceasing operations on August 31, 2018.

*Product Development Expenses*

	Year Ended December 31,			Percent Change
	2018	2017	Decrease	
	(in thousands, except percentages)			
Product development	\$ 20,212	\$ 24,984	\$ (4,772)	(19.1)%
Percentage of revenues	12.5%	12.0%		

Product development expenses decreased \$4.8 million or 19.1% , as the Healthcare segment decreased \$2.3 million due to the sale of Health eCareers on December 4, 2017. Corporate & Other decreased \$3.8 million, of which \$2.7 million related to divested businesses and \$1.1 million was due to the discontinuance of getTalent in the third quarter of 2017. These decreases were partially offset by an increase in the Tech-focused segment of \$1.3 million primarily due to compensation related costs as the segment develops new products and features.

*Sales and Marketing Expenses*

	Year Ended December 31,			Percent Change
	2018	2017	Decrease	
	(in thousands, except percentages)			
Sales and marketing	\$ 59,721	\$ 80,508	\$ (20,787)	(25.8)%
Percentage of revenues	37.0%	38.7%		

Sales and marketing expenses decreased \$20.8 million , or 25.8% , as costs decreased \$9.2 million in the Healthcare segment as a result of the Health eCareers sale on December 4, 2017. Corporate & Other decreased \$8.8 million, of which \$7.5 million was related to the divested businesses in 2018, and \$1.2 million due to the discontinuance of getTalent in the third quarter of 2017. The Tech-focused segment decreased \$2.8 million, of which \$2.9 million decrease was due to Dice Europe ceasing operations on August 31, 2018. In the ongoing Tech-focused business, compensation related costs increased approximately \$1.0 million, offset by a decrease in discretionary marketing spend of approximately \$0.7 million, primarily related to advertising and promotional events, and a decrease in commission expense of \$0.6 million, which was driven by the capitalization and amortization of commission expense over the service period as a result of adopting ASC Topic 606 on January 1, 2018.

*General and Administrative Expenses*

	Year Ended December 31,			Percent Change
	2018	2017	Decrease	
	(in thousands, except percentages)			
General and administrative	\$ 37,589	\$ 40,749	\$ (3,160)	(7.8)%
Percentage of revenues	23.3%	19.6%		

General and administrative costs decreased \$3.2 million or 7.8% . The Healthcare segment decreased \$2.8 million due to the sale of Health eCareers on December 4, 2017. Corporate & Other decreased \$4.5 million, of which \$2.0 million was related to the divested businesses in 2018, \$1.1 million was due to lower stock based compensation costs, and \$1.3 million was due to lower legal and other professional fees. The Tech-focused segment increased \$4.1 million, primarily due to a \$2.1 million increase in consulting costs and \$1.0 million for the Fair Credit Reporting Act lawsuit and \$0.6 million related to recruiting and employee training.

*Disposition Related and Other Costs*

	Year Ended December 31,			Percent Change
	2018	2017	Increase	
	(in thousands, except percentages)			
Disposition related and other costs	\$ 7,619	\$ 4,746	\$ 2,873	60.5%
Percentage of revenues	4.7%	2.3%		



Disposition related and other costs, as described in Note 12 of the Notes to Consolidated Financial Statements, increased \$2.9 million or 60.5% . The \$7.6 million of expenses in 2018 was primarily due to the divestitures of the non-tech businesses and the reorganization to the tech-focused strategy, which primarily consisted of severance and retention, lease exit, business closure, professional fees related to activist shareholders, search, financial advisory, and legal services, and other costs to further these strategic objectives.

Disposition related and other costs of \$4.7 million in 2017 are primarily due to severance and other related costs in connection with the divestiture process and the reorganization to the tech-focused strategy.

*Depreciation*

	Year Ended December 31,			Percent Change
	2018	2017	Decrease	
	(in thousands, except percentages)			
Depreciation	\$ 9,280	\$ 9,752	\$ (472)	(4.8)%
Percentage of revenues	5.7%	4.7%		

Depreciation expense for the year ended December 31, 2018 decreased \$0.5 million or 4.8% . Depreciation in the Healthcare segment decreased \$1.6 million due to the sale of Health eCareers on December 4, 2017. Depreciation in Corporate & Other decreased \$0.9 million due to the divested businesses in 2018. Depreciation in the Tech-focused segment increased \$1.4 million, which was driven by the development and release of new products and features in 2018 and the latter part of 2017.

*Amortization of Intangible Assets*

	Year Ended December 31,			Percent Change
	2018	2017	Decrease	
	(in thousands, except percentages)			
Amortization	\$ 482	\$ 2,138	\$ (1,656)	(77.5)%
Percentage of revenues	0.3%	1.0%		

Amortization expense for the year ended December 31, 2018 decreased \$1.7 million , or 77.5% . The decrease is primarily due to the divestiture of businesses in the Healthcare segment and Corporate & Other.

*Impairment of Fixed and Intangible Assets*

During 2017, \$2.2 million of capitalized development costs related to getTalent were written off as the getTalent services (included in Corporate & Other) were discontinued during the third quarter of 2017. No such costs were written off during the year ended December 31, 2018.

*Other Operating Income*

Other operating income for the year ended December 31, 2018 included a gain of \$4.6 million related to the sale of the RigLogix portion of the Rigzone business on February 20, 2018 and a \$0.8 million gain related to post closing price adjustment to the sale of the Health eCareers business. These gains were partially offset by losses recognized on sale of the Hcareers business on May 22, 2018 of \$0.8 million, the transfer of majority ownership of the remaining Rigzone business to Rigzone management on August 31, 2018 of \$0.7 million and the transfer of majority ownership of the BioSpace business to BioSpace management on January 31, 2018 of \$0.5 million. See also Note 4 of the Notes to Consolidated Financial Statements.

Other operating income for the year ended December 31, 2017 included \$6.7 million of gain on sale from the sale of the Health eCareers business (see Note 4) and proceeds from restitution award of \$3.3 million in the OilPro related legal matter.

*Operating Income*

Operating income for the year ended December 31, 2018 was \$ 11.7 million , a margin of 7.2% , compared to \$ 22.9 million for the same period in 2017 , a margin of 11.0% , and a year over year decrease of \$ 11.2 million , or 48.9%. Contributing to the higher margin in 2017 was the \$6.7 million gain on the sale of Health eCareers and the \$3.3 million restitution award related to an OilPro legal matter. These increases were partially offset by a \$2.2 million asset impairment in 2017 and on the increase in disposition related and other costs of \$2.9 million .

### Interest Expense

	Year Ended December 31,		Decrease	Percent Change
	2018	2017		
	(in thousands, except percentages)			
Interest expense	\$ 2,054	\$ 3,445	\$ (1,391)	(40.4)%
Percentage of revenues	(1.3)%	(1.7)%		

Interest expense for the year ended December 31, 2018 decreased from the same period in 2017 primarily due to lower weighted-average debt outstanding during the year ended December 31, 2018 .

### Income Taxes

	Year Ended December 31,	
	2018	2017
	(in thousands, except percentages)	
Income (loss) before income taxes	\$ 9,602	\$ 19,397
Income tax expense	2,428	3,419
Effective tax rate	25.3%	17.6%

A reconciliation between tax expense at the federal statutory rate and the reported income tax expense is summarized as follows:

	Year Ended December 31,	
	2018	2017
Federal statutory rate	\$ 2,016	\$ 6,789
Gain (loss) on sale of businesses	(6,111)	(1,571)
Stock-based compensation	2,112	1,414
State taxes, net of federal effect	(38)	35
Difference between foreign and U.S. rates	(102)	(1,054)
Change in accrual for unrecognized tax benefits	(1,179)	1,003
U.S. tax on global intangible low-taxed income, net of credits	229	—
Executive compensation	126	—
Currency translation gains	219	—
Gross tax on foreign dividend	—	275
Foreign tax credits	—	(275)
U.S. transition tax on foreign earnings	368	2,962
Federal rate change impact on deferred tax liabilities	—	(3,281)
Research and development tax credits	(481)	(1,764)
Change in valuation allowances	5,117	(780)
Other	152	(334)
Income tax expense	\$ 2,428	\$ 3,419

Our effective income tax rate was 25.3% and 17.6% for the years ended December 31, 2018 and 2017, respectively. The 2018 tax rate differed from the federal statutory rate because of permanent book/tax differences in basis related to the gain or loss on sale of businesses; tax deficiencies in stock-based compensation; a decreased accrual for unrecognized tax benefits; and an increase in the valuation allowance for capital loss carryforwards. The 2017 tax rate differed from the federal statutory rate for a number of reasons, including the allocation of income between the U.S. and foreign jurisdictions; permanent book/tax differences in basis related to the gain or loss on sale of businesses; tax deficiencies in stock-based compensation; an increased accrual for unrecognized tax benefits; the transition tax on foreign earnings; a decrease in deferred tax liabilities because of a change in the federal statutory rate; credits for research and development; and a reduction in the valuation allowance for foreign tax credits.

### Earnings per Share

Earnings per share was \$0.15 and \$0.33 for the years ended December 31, 2018 and December 31, 2017, respectively, a decrease of \$0.18. The decrease was primarily due to 2017 including a \$6.6 million gain on the sale of Health eCareers and \$3.3 million in restitution awards, partially offset by a \$2.9 million increase in disposition related and other costs in 2018.

### Comparison of Years Ended December 31, 2017 and 2016

#### Revenues

	Year Ended December 31,		Increase (Decrease)	Percent Change
	2017	2016		
	(in thousands, except percentages)			
Tech-focused:				
Dice (1)	\$ 101,471	\$ 113,231	\$ (11,760)	(10.4)%
eFinancialCareers	32,480	35,103	(2,623)	(7.5)%
ClearanceJobs	17,342	14,086	3,256	23.1%
Dice Europe	7,105	8,179	(1,074)	(13.1)%
Tech-focused	158,398	170,599	(12,201)	(7.2)%
Healthcare	24,354	27,066	(2,712)	(10.0)%
Corporate & Other				
Hcareers	14,368	14,908	(540)	(3.6)%
Rigzone	7,171	9,485	(2,314)	(24.4)%
BioSpace	3,592	4,110	(518)	(12.6)%
Slashdot Media and getTalent	67	802	(735)	(91.6)%
Corporate & Other	25,198	29,305	(4,107)	(14.0)%
<b>Total revenues</b>	<b>\$ 207,950</b>	<b>\$ 226,970</b>	<b>\$ (19,020)</b>	<b>(8.4)%</b>

(1) Includes Dice and Targeted Job Fairs

We experienced a decrease in the Tech-focused segment revenue of \$12.2 million, or 7.2%. Revenue at Dice U.S. decreased by \$11.8 million compared to the same period in 2016 due to competition in the technology recruiting market, challenges in developing and introducing new products and product enhancements to the market, and the Company's ability to attribute value delivered to customers. Recruitment package customer count in the U.S. decreased from 7,050 at December 31, 2016 to 6,450 at December 31, 2017 while average monthly revenue per U.S. recruitment package customer decreased 1% to \$1,110. Dice Europe revenue decreased by \$1.1 million as compared to the same period in 2016 primarily due to lower renewals as well as a negative impact of foreign exchange in 2017 of approximately \$0.2 million. eFinancialCareers revenue decreased \$2.6 million compared to 2016 due to lower renewals with Brexit contributing to the decline and the negative impact of foreign exchange of \$1.0 million. Revenues for ClearanceJobs increased by \$3.3 million for the year ended December 31, 2017 as compared to the same period in 2016, primarily due to improved market conditions and enhanced product offerings.

The Healthcare segment, consisting of Health eCareers, revenue decreased by \$2.7 million, or 10.0% from the comparable 2016 period primarily due to generating one less month of revenue as a result of being sold December 4, 2017.

Revenues from the Corporate & Other segment decreased by \$4.1 million or 14.0% primarily driven by a decrease in Energy of \$2.3 million due to the deteriorating energy market and due to the sale of the Slashdot Media business in January 2016 which generated \$0.7 million in revenue in that period.

#### Cost of Revenues

	Year Ended December 31,		Decrease	Percent Change
	2017	2016		
	(in thousands, except percentages)			
Cost of revenues	\$ 29,974	\$ 32,126	\$ (2,152)	(6.7)%
Percentage of revenues	14.4%	14.2%		

Cost of revenues decreased by \$2.2 million, or 6.7%, primarily due to decreased headcount in both the Tech-focused segment of \$0.9 million and Corporate & Other of \$0.6 million. A decrease in the Healthcare segment of \$0.7 million was due to the sale of Health eCareers on December 4, 2017.

#### Product Development Expenses

	Year Ended December 31,			Percent Change
	2017	2016	Decrease	
	(in thousands, except percentages)			
Product development	\$ 24,984	\$ 25,714	\$ (730)	(2.8)%
Percentage of revenues	12.0%	11.3%		

Product development costs decreased \$0.7 million or 2.8%. During the year ended December 31, 2017, the Company reallocated its resources towards the Tech-focused segment to align with the Tech-focused strategy. The primary changes related to headcount costs, in which the Tech-focused segment experienced a \$1.4 million increase and the Corporate & Other segment experienced a \$1.3 million decrease. Other product development changes included a decrease in Slashdot Media costs of \$0.4 million due to the sale of the business in January 2016, and a decrease of consulting and headcount costs of \$0.3 million in the Healthcare segment.

#### Sales and Marketing Expenses

	Year Ended December 31,			Percent Change
	2017	2016	Increase	
	(in thousands, except percentages)			
Sales and marketing	\$ 80,508	\$ 77,451	\$ 3,057	3.9%
Percentage of revenues	38.7%	34.1%		

Sales and marketing costs increased \$3.1 million, or 3.9%. The Tech-focused segment increased by \$3.8 million, primarily due to increased discretionary marketing spend of \$3.7 million to increase brand awareness and drive traffic to our sites. Corporate & Other discretionary marketing spend increased \$0.5 million due to higher costs at BioSpace (transferred majority ownership to BioSpace management on January 31, 2018) and getTalent (discontinued in the third quarter of 2017), while these increases were offset by reduced headcount costs of \$0.9 million in Corporate & Other.

#### General and Administrative Expenses

	Year Ended December 31,			Percent Change
	2017	2016	Decrease	
	(in thousands, except percentages)			
General and administrative	\$ 40,749	\$ 43,684	\$ (2,935)	(6.7)%
Percentage of revenues	19.6%	19.2%		

General & Administrative expenses decreased \$2.9 million or 6.7%. Expenses for the Tech-focused segment decreased \$1.9 million primarily due to decreased stock compensation costs of \$1.7 million and a decrease in headcount costs of approximately \$0.4 million, slightly offset by increased professional fees of \$0.2 million. Corporate & Other experienced a \$0.7 million decrease in General & Administrative expenses, primarily due to lower headcount and a decrease in legal and professional fees associated with the Oil Pro litigation, director search fees and the strategic alternatives process. The Healthcare segment decreased approximately \$0.3 million, which was primarily due to lower stock compensation expense of \$0.2 million from forfeitures due to the sale of Health eCareers on December 4, 2017. Overall, lower stock compensation costs were driven primarily by a decrease in the fair value of new grants awarded.

### Disposition Related and Other Costs

	Year Ended December 31,			Percent Change
	2017	2016	Increase	
	(in thousands, except percentages)			
Disposition related and other costs	\$ 4,746	\$ 3,347	\$ 1,399	n.m.
Percentage of revenues	2.3%	1.5%		

Disposition related and other costs are primarily related to the strategic alternatives process and divestiture costs, including the sale of Health eCareers. Costs for the year ended December 31, 2017 consist of severance and retention of \$3.1 million, professional fees of \$1.1 million, and China exit costs of \$0.5 million. Prior year costs were primarily due to the sale of Slashdot Media, including severance of \$1.0 million, stock based compensation acceleration of \$0.9 million, and a loss on sale of \$0.6 million. Also included in disposition related and other costs in 2016 is other severance primarily related to the formation of the Global Industry Group of \$0.8 million.

### Depreciation

	Year Ended December 31,			Percent Change
	2017	2016	Decrease	
	(in thousands, except percentages)			
Depreciation	\$ 9,752	\$ 9,849	\$ (97)	(1.0)%
Percentage of revenues	4.7%	4.3%		

Depreciation expense for the year ended December 31, 2017 approximated the same period of the prior year. During 2017, depreciation expense related to getTalent (discontinued in the third quarter of 2017) increased \$0.5 million while the Healthcare segment decreased approximately \$0.5 million.

### Amortization of Intangible Assets

	Year Ended December 31,			Percent Change
	2017	2016	Decrease	
	(in thousands, except percentages)			
Amortization	\$ 2,138	\$ 6,787	\$ (4,649)	(68.5)%
Percentage of revenues	1.0%	3.0%		

Amortization expense for the year ended December 31, 2017 decreased \$4.6 million, or 68.5%. The reduction was due to certain intangible assets in Health eCareers, Hospitality, and Dice Europe becoming fully amortized during 2016. Additionally, Rigzone decreased \$2.1 million due to intangible assets being written off in the third quarter of 2016.

### Impairment of goodwill

Goodwill of \$15.4 million related to Rigzone, the Energy reporting unit, was fully written off in the third quarter of 2016 due to the decline in demand for energy professionals, stemming from persistently depressed oil prices, which has significantly decreased the use of our energy industry job posting websites and related services. No such impairment was reported during 2017.

### Impairment of Fixed and Intangible Assets

During 2017, \$2.2 million of capitalized development costs related to getTalent were written off as the getTalent services (included in Corporate & Other) were discontinued during the third quarter of 2017. During 2016, unamortized intangible assets of \$9.3 million related to Rigzone, the Energy reporting unit, formerly within the Global Industry Group segment and currently included in Corporate & Other, were written off as a result of the decline in demand for energy professionals, stemming from depressed oil prices, which significantly decreased the use of our energy industry job posting websites and related services.

*Other Operating Income*

Other operating income for the year ended December 31, 2017 included \$6.7 million of gain on sale from the sale of the Health eCareers business (see Note 4) and proceeds from restitution award of \$3.3 million in the OilPro related legal matter.

*Operating Income*

Operating income for the year ended December 31, 2017 was \$22.9 million compared to \$3.4 million for the same period in 2016, an increase of \$19.5 million or 580%. Included in operating income for 2017 was other operating income of \$10.0 million related to the sale of Health eCareers and proceeds from restitution award in the OilPro related legal matter that did not occur in 2016, and lower impairment costs of \$22.4 million. The operating income improvements in the current period were partially offset by lower revenues of \$19.0 million primarily due to lower customer activity across all brands except for ClearanceJobs.

*Interest Expense*

	Year Ended December 31,		Decrease	Percent Change
	2017	2016		
	(in thousands, except percentages)			
Interest expense	\$ 3,445	\$ 3,481	\$ (36)	(1.0)%
Percentage of revenues	(1.7)%	(1.5)%		

Interest expense for the year ended December 31, 2017 includes \$410,000 of deferred financing costs charged to interest expense following the borrowing capacity reduction of the Credit Agreement from \$250 million to \$150 million. Excluding this charge, interest expense decreased \$346,000 due to lower average borrowings during the period, partially offset by higher interest rates.

*Income Taxes*

	Year Ended December 31,	
	2017	2016
	(in thousands, except percentages)	
Income before income taxes	\$ 19,397	\$ (119)
Income tax expense	3,419	5,279
Effective tax rate	17.6%	(4,436.1)%

A reconciliation between tax expense at the federal statutory rate and the reported income tax expense is summarized as follows:

	Year Ended December 31,	
	2017	2016
Federal statutory rate	\$ 6,789	\$ (42)
Gain (loss) on sale of businesses	(1,571)	—
Stock-based compensation	1,414	—
Nondeductible impairment	—	5,287
State taxes, net of federal effect	35	756
Difference between foreign and U.S. rates	(1,054)	297
Change in accrual for unrecognized tax benefits	1,003	(923)
Gross tax on foreign dividend	275	5,084
Tax credits related to foreign dividend	(275)	(4,244)
US transition tax on foreign earnings	2,962	—
Federal rate change impact on deferred tax liabilities	(3,281)	—
Research and development tax credits	(1,764)	(173)
Change in valuation allowances	(780)	(713)
Other	(334)	(50)
<b>Income tax expense</b>	<b>\$ 3,419</b>	<b>\$ 5,279</b>

Our effective income tax rate was 17.6% and (4,436.1)% for the years ended December 31, 2017 and 2016, respectively. The 2017 tax rate differed from the federal statutory rate for a number of reasons, including the allocation of income between the US and foreign jurisdictions; permanent book/tax differences in basis related to the gain or loss on sale of businesses; tax deficiencies in stock-based compensation; an increased accrual for unrecognized tax benefits; the transition tax on foreign earnings; a decrease in deferred tax liabilities because of a change in the federal statutory rate; credits for research and development; and a reduction in the valuation allowance for foreign tax credits.

Enactment of US tax reform legislation in December 2017 resulted in a \$0.3 million reduction in tax expense. We recorded tax expense of \$3.0 million for the one-time transition tax on the deemed repatriation of undistributed foreign earnings and recorded a tax benefit of \$3.3 million for the reduction in our deferred tax liabilities because of the change in the US federal tax rate from 35% to 21%.

The 2016 tax rate differed significantly from the federal statutory rate because of impairment charges of \$24.6 million, of which \$15.4 million related to non-deductible goodwill. Based on the jurisdictions where the impairment charges were recorded, the non-deductible amounts caused 2016 tax expense to exceed the expected expense at statutory tax rates by \$5.3 million.

The 2016 tax rate was also impacted by the modification of our indefinite reinvestment assertion resulting in the repatriation of cash from our Canada subsidiary to the United States, which caused tax expense of \$0.8 million. Additionally, the implementation of a tax planning strategy to utilize foreign tax credits resulted in a \$0.7 million decrease in the valuation allowance related to such credits. Also, we had a \$0.9 million tax benefit in 2016 from a reduction in the accrual for unrecognized tax benefits, primarily due to the expiration of the statute of limitations in various tax jurisdictions.

#### *Earnings (Loss) per Share*

Earnings (loss) per share was \$0.33 and ( \$0.11 ) for the years ended December 31, 2017 and December 31, 2016, respectively, an improvement of \$0.44. The improvement was primarily due to improved net income (loss) in 2017, which was driven by a gain on the sale of Health eCareers of \$6.7 million, proceeds from restitution award in the OilPro related legal matter of \$3.3 million as compared to an impairment of goodwill and intangibles of \$24.6 million that was recorded for the Energy reporting unit during 2016.

#### **Liquidity and Capital Resources**

##### *Non-GAAP Measures*

We have provided certain non-GAAP financial information as additional information for our operating results. These measures are not in accordance with, or an alternative for, measures in accordance with GAAP and may be different from similarly titled non-GAAP measures reported by other companies. We believe the presentation of non-GAAP measures, such as Adjusted EBITDA and Adjusted EBITDA margin, provides useful information to management and investors regarding certain financial and business trends relating to our financial condition and results of operations.

#### *Adjusted Revenues*

Adjusted Revenues is a non-GAAP metric used by management to measure operating performance. Adjusted Revenues represents Revenues less the revenues of divested businesses. We consider Adjusted Revenues to be an important measure to evaluate the performance of our ongoing businesses and provide comparable results excluding our divestitures.

#### *Adjusted EBITDA and Adjusted EBITDA Margin*

Adjusted EBITDA and Adjusted EBITDA Margin are non-GAAP metrics used by management to measure operating performance. Management uses Adjusted EBITDA as a performance measure for internal monitoring and planning, including preparation of annual budgets, analyzing investment decisions and evaluating profitability and performance comparisons between us and our competitors. The Company also uses this measure to calculate amounts of performance based compensation under the senior management incentive bonus program. Adjusted EBITDA represents net income plus (to the extent deducted in calculating such net income) interest expense, income tax expense, depreciation and amortization, non-cash stock based compensation, losses resulting from certain dispositions outside the ordinary course of business including prior negative operating results of those divested businesses, certain writeoffs in connection with indebtedness, impairment charges with respect to long-lived assets, expenses incurred in connection with an equity offering or any other offering of securities by the Company, extraordinary or non-recurring non-cash expenses or losses, transaction costs in connection with the credit agreement, deferred revenues written off in connection with acquisition purchase accounting adjustments, writeoff of non-cash stock based compensation, severance and retention costs related to dispositions or reorganizations of the Company, losses related to legal claims and fees that are unusual in nature or infrequent, and business interruption insurance proceeds, minus (to the extent included in calculating such net income) non-cash income or gains, and interest income, and any income or gain resulting from certain dispositions outside the ordinary course of business, including prior positive operating results of those divested businesses, and gains related to legal claims that are unusual in nature or infrequent.

The Company changed its definition of Adjusted EBITDA during the first quarter of 2018 to exclude severance and retention costs related to dispositions or reorganizations of the Company, the prior operating results of divested businesses, and losses related to legal claims and fees that are unusual in nature or infrequent. The Company changed its definition of Adjusted EBITDA to provide a more transparent and comparable view of its financial performance. Accordingly, all prior periods have been recast to reflect the current definition.

We also consider Adjusted EBITDA, as defined above, to be an important indicator to investors because it provides information related to our ability to provide cash flows to meet future debt service, capital expenditures and working capital requirements and to fund future growth. We present Adjusted EBITDA as a supplemental performance measure because we believe that this measure provides our board of directors, management and investors with additional information to measure our performance, provide comparisons from period to period and company to company by excluding potential differences caused by variations in capital structures (affecting interest expense) and tax positions (such as the impact on periods or companies of changes in effective tax rates or net operating losses), and to estimate our value.

We understand that although Adjusted EBITDA is frequently used by securities analysts, lenders and others in their evaluation of companies, Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our liquidity or results as reported under GAAP. Some limitations are:

- Adjusted EBITDA does not reflect our cash expenditures, or future requirements for capital expenditures or contractual commitments;
- Adjusted EBITDA does not reflect changes in, or cash requirements for, our working capital needs;
- Adjusted EBITDA does not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments on our debt;
- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized often will have to be replaced in the future, and Adjusted EBITDA does not reflect any cash requirements for such replacements; and
- Other companies in our industry may calculate Adjusted EBITDA differently than we do, limiting its usefulness as a comparative measure.



To compensate for these limitations, management evaluates our liquidity by considering the economic effect of excluded expense items independently, as well as in connection with its analysis of cash flows from operations and through the use of other financial measures, such as capital expenditure budget variances, investment spending levels and return on capital analysis.

Adjusted EBITDA Margin is computed as Adjusted EBITDA divided by Adjusted Revenues. Adjusted Revenues, Adjusted EBITDA and Adjusted EBITDA Margin are not measurements of our financial performance under GAAP and should not be considered as an alternative to revenue, net income, operating income, revenue or any other performance measures derived in accordance with GAAP as a measure of our profitability or liquidity.

A reconciliation of Adjusted Revenues for the years ended December 31, 2018 , 2017 and 2016 follows (in thousands):

	Year Ended December 31,		
	2018	2017	2016
Revenues	\$ 161,570	\$ 207,950	\$ 226,970
Health eCareers	—	(24,354)	(27,066)
Hcareers	(5,329)	(14,368)	(14,908)
Rigzone	(3,771)	(7,171)	(9,484)
BioSpace	(212)	(3,592)	(4,110)
Adjusted Revenues	\$ 152,258	\$ 158,465	\$ 171,402

A reconciliation of Adjusted EBITDA for the years ended December 31, 2018 , 2017 and 2016 follows (in thousands):

	Year Ended December 31,		
	2018	2017	2016
<b>Reconciliation of Net Income (Loss) to Adjusted EBITDA:</b>			
<b>Net income (loss)</b>	<b>\$ 7,174</b>	<b>\$ 15,978</b>	<b>\$ (5,398)</b>
Interest expense	2,054	3,445	3,481
Income tax expense	2,428	3,419	5,279
Depreciation	9,280	9,752	9,849
Amortization of intangible assets	482	2,138	6,787
Impairment of goodwill	—	—	15,369
Non-cash stock based compensation <sup>1</sup>	6,606	8,608	10,245
Impairment of fixed and intangible assets	—	2,226	9,252
(Gain) loss on sale of businesses, net	(3,369)	(6,699)	—
Costs related to strategic alternatives process	—	807	250
Disposition related and other costs	7,619	4,746	3,347
Proceeds from restitution award	—	(3,293)	—
Legal contingencies and related fees	1,965	739	—
Divested businesses	(2,243)	(4,916)	(6,261)
Other	36	23	29
<b>Adjusted EBITDA</b>	<b>\$ 32,032</b>	<b>\$ 36,973</b>	<b>\$ 52,229</b>

**Reconciliation of Operating Cash Flows to Adjusted EBITDA:**

<b>Net cash provided by operating activities</b>	<b>\$ 14,918</b>	<b>\$ 34,409</b>	<b>\$ 44,997</b>
Interest expense	2,054	3,445	3,481
Amortization of deferred financing costs	(342)	(690)	(324)
Income tax expense	2,428	3,419	5,279
Deferred income taxes	(2,699)	(212)	3,268
Change in accrual for unrecognized tax benefits	1,179	(346)	923
Change in accounts receivable	(11,947)	(1,976)	(2,281)
Change in deferred revenue	18,866	(712)	(2,370)
Costs related to strategic alternatives process	—	807	250
Disposition related and other costs <sup>2</sup>	7,619	4,746	1,808
Proceeds from restitution award	—	(3,293)	—
Legal contingencies and related fees	1,965	739	—
Divested businesses	(2,243)	(4,916)	(6,261)
Changes in working capital and other	234	1,553	3,459
<b>Adjusted EBITDA</b>	<b>\$ 32,032</b>	<b>\$ 36,973</b>	<b>\$ 52,229</b>

1. Non-cash stock based compensation for 2016 excludes accelerated stock compensation of \$0.9 million which is included in disposition related and other costs.

2. Disposition related and other costs for 2016 excludes accelerated stock compensation of \$0.9 million and the loss on sale of the Slashdot business of \$0.6 million, which were already added back to net cash provided by operating activities.

A reconciliation of Adjusted EBITDA Margin for the years ended December 31, 2018 , 2017 and 2016 follows (in thousands):

	Year Ended December 31,		
	2018	2017	2016
Adjusted Revenues	\$ 152,258	\$ 158,465	\$ 171,402
Adjusted EBITDA	\$ 32,032	\$ 36,973	\$ 52,229
Adjusted EBITDA Margin	21%	23%	30%

### Cash Flows

We have summarized our cash flows for the years ended December 31, 2018, 2017 and 2016 (in thousands).

	Year Ended December 31,		
	2018	2017	2016
Cash from operating activities	\$ 14,918	\$ 34,409	\$ 44,997
Cash from (used in) investing activities	7,489	(775)	(10,770)
Cash used in financing activities	(27,174)	(44,781)	(44,634)

We have financed our operations primarily through cash provided by operating activities and borrowings under our revolving credit facility. In the fourth quarter of 2016, the Company implemented a tax planning strategy which enhanced our ability to utilize foreign tax credits in the U.S. As a result, we changed our assertion regarding the indefinite reinvestment of our Canada subsidiary's foreign earnings, and repatriated accumulated earnings of \$5.5 million in 2017 and \$16.4 million in 2016 from Canada to the United States. In the fourth quarter of 2017, the Company also repatriated earnings of \$7.3 million from its U.K. subsidiary since such earnings were subject to tax in the U.S. because of the deemed repatriation provisions in U.S. tax reform legislation enacted in December 2017. Cash from Canada and the U.K. was used by the Company to pay down debt resulting in lower cash at December 31, 2018 and 2017.

At December 31, 2018, we had cash of \$6.5 million compared to \$12.1 million at December 31, 2017. Cash held by foreign subsidiaries totaled approximately \$2.2 million and \$9.6 million at December 31, 2018 and 2017, respectively. Cash balances and cash generation in the United States, along with the unused portion of our revolving credit facility, are sufficient to maintain liquidity and meet our obligations without being dependent on cash and earnings from our foreign subsidiaries.

### Liquidity

Our principal internal sources of liquidity are cash on hand, as well as the cash flow that we generate from our operations. In addition, externally, we had \$72.0 million in borrowing capacity under our \$90.0 million Credit Agreement (reduced from \$150.0 million in the fourth quarter of 2018) at December 31, 2018. We believe that our existing U.S. cash, cash generated from operations and available borrowings under our Credit Agreement will be sufficient to satisfy our currently anticipated cash requirements through at least the next 12 months and the foreseeable future thereafter. However, it is possible that one or more lenders under the revolving credit facility may refuse or be unable to satisfy their commitment to lend to us or we may need to refinance our debt and be unable to do so. In addition, our liquidity could be negatively affected by a decrease in demand for our products and services. We may also make acquisitions and may need to raise additional capital through future debt financings or equity offerings to the extent necessary to fund such acquisitions, which we may not be able to do on a timely basis or on terms satisfactory to us or at all.

### Comparison of Years Ended December 31, 2018 and 2017

#### Operating Activities

Net cash flows from operating activities primarily consist of net income adjusted for certain non-cash items, including depreciation, amortization, changes in deferred tax assets and liabilities, stock based compensation, impairment of intangible goodwill and fixed and intangible assets, gain or loss on the sale of businesses, and the effect of changes in working capital. Net cash flows from operating activities were \$14.9 million and \$34.4 million for the years ended December 31, 2018 and 2017, respectively, a decrease of \$ 19.5 million. Cash inflow from operations is driven by earnings and is dependent on the amount and timing of billings and cash collection from our customers. Cash provided by operating activities during the year ended December 31, 2018 decreased due to \$11.0 million lower earnings, which includes cash flows from operating activities, excluding changes in working capital, and \$8.5 million from changes in working capital. The lower earnings are primarily due to lower adjusted revenues of \$6.1 million and the increase in disposition related and other costs of \$2.9 million during the year ended December 31, 2018. In addition, the proceeds from restitution award of \$3.3 million in the year ended December 31, 2017 did not recur in the same period of 2018. The changes in working capital are primarily due to increased flexibility in the Company's billing terms to customers to bring them in line with market standards.

#### Investing Activities

During the year ended December 31, 2018, cash provided by investing activities was \$7.5 million compared to \$0.8 million of cash used during the year ended December 31, 2017, an increase of \$8.3 million. Cash from investing activities during the year ended December 31, 2018 was attributable to net cash received from the sale of businesses of \$17.5 million, partially offset by the acquisition of fixed assets, including costs of internally developed software, of \$10.1 million. Cash used in investing activities

during the year ended December 31, 2017 was attributable to \$13.2 million used to acquire fixed assets, including costs of internally developed software, partially offset by \$12.9 million of net cash proceeds from the sale of the Health eCareers.

#### *Financing Activities*

Cash used in financing activities during the year ended December 31, 2018 was \$27.2 million primarily due to \$24.0 million of net repayments on long-term debt and \$2.0 million of repurchases of common stock. Cash used during the year ended December 31, 2017 was \$44.8 million primarily due to \$44.0 million of payments on long-term debt.

### **Comparison of Years Ended December 31, 2017 and 2016**

#### *Operating Activities*

Net cash flows from operating activities primarily consist of net income adjusted for certain non-cash items, including depreciation, amortization, changes in deferred tax assets and liabilities, stock based compensation, impairment of goodwill and fixed and intangible assets, gain or loss on sale of business, and the effect of changes in working capital. Net cash flows from operating activities were \$34.4 million and \$45.0 million for the years ended December 31, 2017 and 2016, respectively. Cash inflow from operations for the year ended December 31, 2017, which included \$3.3 million of proceeds from a restitution award in the OilPro related legal matter, is driven by earnings and is dependent on the amount and timing of billings and cash collections from our customers. The decline in revenue, partially offset by cost reductions, are the primary drivers for the decrease in cash flows from operations in the year ended December 31, 2017 compared to 2016.

#### *Investing Activities*

During the year ended December 31, 2017, cash used by investing activities was \$0.8 million compared to \$10.8 million in the year ended December 31, 2016. Cash used by investing activities in the year ended December 31, 2017 was attributable to the \$13.2 million used to acquire fixed assets, partially offset by proceeds received from sale of the Health eCareers business of \$12.9 million. Cash used by investing activities in the year ended December 31, 2016 was primarily attributable to the \$11.7 million used to acquire fixed assets and \$1.5 million used to purchase preferred stock in a leading tech skills assessment company, partially offset by proceeds from the sale of the Slashdot Media business of \$2.4 million.

#### *Financing Activities*

Cash used for financing activities during the year ended December 31, 2017 was \$44.8 million compared to cash used of \$44.6 million in the year ended December 31, 2016. During the current year, the cash used was primarily due to \$44.0 million of payments on long-term debt. During the year ended December 31, 2016, the cash used was primarily due to \$29.6 million of payments to repurchase the Company's common stock and \$15.0 million used in net repayments on long-term debt, partially offset by \$2.8 million in proceeds from stock option exercises.

### **Financings and Capital Requirements**

#### *Credit Agreement*

In November 2018, the Company, together with Dice Inc. (a wholly-owned subsidiary of the Company) and its wholly-owned subsidiary, Dice Career Solutions, Inc. (collectively, the "Borrowers") entered into a Second Amended and Restated Credit Agreement (the "Credit Agreement"), which matures in November 2023, and replaces the previously existing credit agreement dated November 2015. The Credit Agreement provides for a revolving loan facility of \$ 90 million (previously \$150 million), with an Expansion Option up to \$140 million, as permitted under the Credit Agreement. The Company borrowed \$18 million to repay, in full, all outstanding indebtedness, including accrued interest, under the previous credit agreement and to pay certain costs associated with the Credit Agreement. Unamortized debt issuance costs of \$0.2 million were recorded to interest expense at the time of reduction.

Borrowings under the Credit Agreement bear interest, at the Company's option, at a LIBOR rate or a base rate plus a margin. The margin ranges from 1.75% to 2.50% on LIBOR loans and 0.75% to 1.50% on base rate loans, determined by the Company's most recent consolidated leverage ratio. The facility may be prepaid at any time without penalty.

The Credit Agreement contains various customary affirmative and negative covenants and also contains certain financial covenants, including a consolidated leverage ratio and a consolidated interest coverage ratio. Borrowings are allowed under the Credit Agreement to the extent the consolidated leverage ratio, calculated on a pro forma basis, is equal to or less than 2.50 to 1.00. Negative covenants include restrictions on incurring certain liens; making certain payments, such as stock repurchases and dividend payments; making certain investments; making certain acquisitions; making certain dispositions; and incurring additional indebtedness. Restricted payments are allowed under the Credit Agreement to the extent the consolidated leverage ratio, calculated

on a pro forma basis, is equal to or less than 2.00 to 1.00, plus an additional \$5.0 million of restricted payments. The Credit Agreement also provides that the payment of obligations may be accelerated upon the occurrence of customary events of default, including, but not limited to, non-payment, change of control, or insolvency. As of December 31, 2018, the Company was in compliance with all of the financial covenants under the Credit Agreement.

The obligations under the Credit Agreement are guaranteed by two of the Company's wholly-owned subsidiaries, eFinancialCareers, Inc and Targeted Job Fairs, Inc., and secured by substantially all of the assets of the Borrowers and the guarantors and stock pledges from certain of the Company's foreign subsidiaries.

#### Other Capital Requirements

We anticipate capital expenditures in 2019 to be approximately \$8 million to \$10 million. We intend to use operating cash flows to fund capital expenditures.

#### Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

#### Commitments and Contingencies

The following table presents certain minimum payments due and the estimated timing under contractual obligations with minimum firm commitments as of December 31, 2018 :

	Payments due by period				
	Total	Less Than 1 Year	1-3 Years	3-5 Years	More Than 5 Years
	(in thousands)				
Credit Agreement	\$ 18,000	\$ —	\$ —	\$ 18,000	\$ —
Operating lease obligations	20,415	4,244	6,807	4,840	4,524
Total contractual obligations	\$ 38,415	\$ 4,244	\$ 6,807	\$ 22,840	\$ 4,524

We make commitments to purchase advertising from online vendors which we pay for on a monthly basis. We have no significant long-term obligations to purchase a fixed or minimum amount with these vendors.

Our principal commitments consist of obligations under operating leases for office space and equipment and long-term debt. As of December 31, 2018, we had \$18.0 million outstanding under our Credit Agreement. Interest payments are due quarterly or at varying, specified periods (to a maximum of three months) based on the type of loan (LIBOR or base rate loan) we choose. See Note 8 "Indebtedness" in our consolidated financial statements for additional information related to our Credit Agreement.

Future interest payments on our Credit Agreement are variable due to our interest rate being based on a LIBOR rate or a base rate. Assuming an interest rate of 4.25% (the rate in effect on December 31, 2018) on our current borrowings, interest payments are expected to be \$1.0 million per year in 2019-2022 and \$0.9 million in 2023.

As of December 31, 2018, we recorded approximately \$1.7 million of unrecognized tax benefits as liabilities, and we are uncertain if or when such amounts may be settled. Related to the unrecognized tax benefits considered permanent differences, we have also recorded a liability for potential penalties and interest. Included in the balance of unrecognized tax benefits at December 31, 2018 are \$1.7 million of tax benefits that if recognized, would affect the effective tax rate. The Company believes it is reasonably possible that as much as \$0.2 million of its unrecognized tax benefits may be recognized in the next twelve months.

#### Recent Accounting Pronouncements

For a discussion of new accounting pronouncements affecting the Company, refer to Note 2 of Notes to Consolidated Financial Statements included in Item 8 of this Annual Report.

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

We have exposure to financial market risks, including changes in foreign currency exchange rates, interest rates, and other relevant market prices.

**Foreign Exchange Risk**

We conduct business serving multiple markets, in four languages, mainly across Europe, Asia, Australia, and North America using the eFinancialCareers name. Rigzone (sold RigLogix portion of the Rigzone business on February 20, 2018 and DHI transferred majority ownership of the remaining Rigzone business to Rigzone management on August 31, 2018), Dice Europe (ceased operations on August 31, 2018) and Hcareers (sold May 22, 2018) also conduct business outside the United States. For the years ended December 31, 2018 and 2017, approximately 25% of our revenues were earned outside the United States and certain of these amounts are collected in local currency. We are subject to risk for exchange rate fluctuations between such local currencies and the British Pound Sterling and between local currencies and the United States dollar and the subsequent translation of the British Pound Sterling to United States dollars. We currently do not hedge currency risk. A decrease in foreign exchange rates during a period would result in decreased amounts reported in our Consolidated Balance Sheets, Consolidated Statements of Operations, Comprehensive Income, and of Cash Flows. For example, if foreign exchange rates between the British Pound Sterling and United States dollar decreased by 1.0%, the impact on our revenues and expenses during 2018 would have been a decrease of approximately \$0.2 million.

In connection with Brexit, the global markets and currencies have been adversely impacted, including a decline in the value of the British Pound Sterling as compared to the United States dollar. Volatility in exchange rates could continue as the UK negotiates its exit from the EU. We currently do not hedge our British Pound Sterling exposure and therefore are susceptible to currency risk. In the longer term, any impact from Brexit on us will depend, in part, on the outcome of tariff, trade, regulatory and other negotiations. Although it is unknown what the result of those negotiations will be, it is possible that new terms may adversely affect our operations and financial results. In addition, trade talks or pacts between the United States and other nations could adversely affect our operations and financial results.

The financial statements of our non-United States subsidiaries are translated into United States dollars using current exchange rates, with gains or losses included in the cumulative translation adjustment account, which is a component of stockholders' equity. As of December 31, 2018 and 2017, our translation adjustment decreased stockholders' equity by \$31.2 million and \$27.3 million, respectively. The change from December 31, 2017 to December 31, 2018 is primarily attributable to the position of the United States dollar against the British Pound Sterling.

**Interest Rate Risk**

We have interest rate risk primarily related to borrowings under our Credit Agreement. Borrowings under our Credit Agreement bear interest, at our option, at a LIBOR rate or base rate plus a margin. The margin ranges from 1.75% to 2.50% on the LIBOR loans and 0.75% to 1.50% on the base rate, as determined by our most recent consolidated leverage ratio. As of December 31, 2018, we had outstanding borrowings of \$18.0 million under our Credit Agreement. If interest rates were to rise by 1.0%, annual interest expense on our current borrowings would increase by approximately \$0.2 million.

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

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## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of DHI Group, Inc.

### Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of DHI Group, Inc. and subsidiaries (the "Company") as of December 31, 2018 and 2017, the related consolidated statements of operations, comprehensive income (loss), stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2018, and the related notes and schedule listed in the Index at Item 15 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2018 and 2017, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2018, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2018, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 7, 2019, expressed an unqualified opinion on the Company's internal control over financial reporting.

### Change in Accounting Principle

As discussed in Note 3 to the financial statements, the Company has changed its method of accounting for contract acquisition costs in 2018 due to adoption of ASU No. 2014-09, *Revenue from Contracts with Customers*.

### Basis for Opinion

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

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

/s/ Deloitte & Touche LLP

Des Moines, Iowa  
February 7, 2019

We have served as the Company's auditor since 2005.



**DHI GROUP, INC.**  
**CONSOLIDATED BALANCE SHEETS**  
**As of December 31, 2018 and 2017**  
**(in thousands, except per share data)**

	December 31, 2018	December 31, 2017
<b>ASSETS</b>		
Current assets		
Cash	\$ 6,472	\$ 12,068
Accounts receivable, net of allowance for doubtful accounts of \$647 and \$1,688	22,850	38,769
Income taxes receivable	2,203	2,617
Prepaid and other current assets	7,330	5,086
<b>Total current assets</b>	<b>38,855</b>	<b>58,540</b>
Fixed assets, net	15,890	16,147
Acquired intangible assets, net	39,000	45,737
Capitalized contract costs	7,939	—
Goodwill	153,974	170,791
Deferred income taxes	136	469
Other assets	2,591	4,034
<b>Total assets</b>	<b>\$ 258,385</b>	<b>\$ 295,718</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities		
Accounts payable and accrued expenses	\$ 25,030	\$ 22,196
Deferred revenue	54,723	83,646
Income taxes payable	1,168	1,129
<b>Total current liabilities</b>	<b>80,921</b>	<b>106,971</b>
Long-term debt, net	17,288	41,450
Deferred income taxes	10,444	8,245
Deferred revenue	1,363	—
Income taxes payable	—	1,489
Accrual for unrecognized tax benefits	1,680	2,859
Other long-term liabilities	1,334	2,063
<b>Total liabilities</b>	<b>113,030</b>	<b>163,077</b>
Commitments and contingencies (Note 9)		
Stockholders' equity		
Convertible preferred stock, \$.01 par value, authorized 20,000 shares; no shares issued and outstanding	—	—
Common stock, \$.01 par value, authorized 240,000; issued 87,522 and 83,125 shares, respectively; outstanding: 53,396 and 50,480 shares, respectively	876	831
Additional paid-in capital	383,123	375,537
Accumulated other comprehensive loss	(31,236)	(27,330)
Accumulated earnings	71,435	59,776
Treasury stock, 34,126 and 32,645 shares, respectively	(278,843)	(276,173)
<b>Total stockholders' equity</b>	<b>145,355</b>	<b>132,641</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 258,385</b>	<b>\$ 295,718</b>

See accompanying notes to the consolidated financial statements.

**DHI GROUP, INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**For the years ended December 31, 2018, 2017 and 2016**  
**(in thousands, except per share amounts)**

	<b>For the year ended December 31,</b>		
	<b>2018</b>	<b>2017</b>	<b>2016</b>
Revenues	\$ 161,570	\$ 207,950	\$ 226,970
Operating expenses:			
Cost of revenues	18,344	29,974	32,126
Product development	20,212	24,984	25,714
Sales and marketing	59,721	80,508	77,451
General and administrative	37,589	40,749	43,684
Depreciation	9,280	9,752	9,849
Amortization of intangible assets	482	2,138	6,787
Impairment of goodwill	—	—	15,369
Impairment of fixed and intangible assets	—	2,226	9,252
Disposition related and other costs (Note 12)	7,619	4,746	3,347
Total operating expenses	153,247	195,077	223,579
Other operating income:			
Gain on sale of businesses (Note 4)	3,369	6,699	—
Proceeds from restitution award	—	3,293	—
Total other operating income	3,369	9,992	—
Operating income	11,692	22,865	3,391
Interest expense	(2,054)	(3,445)	(3,481)
Other expense	(36)	(23)	(29)
Income (loss) before income taxes	9,602	19,397	(119)
Income tax expense	2,428	3,419	5,279
Net income (loss)	\$ 7,174	\$ 15,978	\$ (5,398)
Basic earnings (loss) per share	\$ 0.15	\$ 0.33	\$ (0.11)
Diluted earnings (loss) per share	\$ 0.14	\$ 0.33	\$ (0.11)
Weighted-average basic shares outstanding	48,520	47,908	48,319
Weighted-average diluted shares outstanding	49,605	48,230	48,319

See accompanying notes to the consolidated financial statements.

**DHI GROUP, INC.**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**  
**For the years ended December 31, 2018, 2017, and 2016**  
**(in thousands)**

	For the year ended December 31,		
	2018	2017	2016
Net income (loss)	\$ 7,174	\$ 15,978	\$ (5,398)
Foreign currency translation adjustment	(3,906)	4,946	(11,808)
Total other comprehensive income (loss)	(3,906)	4,946	(11,808)
Comprehensive income (loss)	\$ 3,268	\$ 20,924	\$ (17,206)

*See accompanying notes to the consolidated financial statements.*

DHI GROUP, INC.  
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY  
For the years ended December 31, 2018, 2017, and 2016 (in thousands)

	Convertible Preferred Stock		Common Stock		Additional Paid-in Capital	Treasury Stock	Accumulated Earnings (Loss)	Accumulated Other Comprehensive Loss	Total
	Shares Issued	Amount	Shares Issued	Amount					
<b>Balance at January 1, 2016</b>	—	\$ —	80,717	\$ 807	\$ 352,208	\$ (243,410)	\$ 49,476	\$ (20,468)	\$ 138,613
Net loss							(5,398)		(5,398)
Other comprehensive income (loss)								(11,808)	(11,808)
Stock based compensation					11,145				11,145
Excess tax benefit over book expense from stock options exercised					94				94
Restricted stock issued			1,302	13					13
Restricted stock forfeited or withheld to satisfy tax obligations			(328)	(3)		(2,361)			(2,364)
Purchase of treasury stock under stock repurchase plan						(28,709)			(28,709)
Exercise of common stock options			642	6	2,800				2,806
Performance-Based Restricted Stock Units forfeited or withheld to satisfy tax obligations			(98)	(1)		(506)			(507)
Performance-Based Restricted Stock Units eligible to vest			(246)	(2)					(2)
<b>Balance at December 31, 2016</b>	—	—	81,989	820	366,247	(274,986)	44,078	(32,276)	103,883
Net loss							15,978		15,978
Other comprehensive income (loss)								4,946	4,946
Stock based compensation					8,608				8,608
Restricted stock issued			1,725	17					17
Restricted stock forfeited or withheld to satisfy tax obligations			(655)	(7)		(1,187)			(1,194)
Exercise of common stock options			66	1	402				403
Cumulative-effect of new accounting principle (see Note 2)					280		(280)		—
<b>Balance at December 31, 2017</b>	—	—	83,125	831	375,537	(276,173)	59,776	(27,330)	132,641
Net income							7,174		7,174
Other comprehensive income (loss)								(3,906)	(3,906)
Stock based compensation					6,606				6,606
Restricted stock issued			4,087	41					41
Restricted stock forfeited or withheld to satisfy tax obligations			(440)	(4)		(693)			(697)
Performance-Based Restricted Stock Units eligible to vest			750	8					8
Cumulative-effect of new accounting principle (see Note 2)							4,485		4,485
Unclaimed shareholder liability (see Note 10)					980				980
Purchase of treasury stock under stock repurchase plan						(1,977)			(1,977)
<b>Balance at December 31, 2018</b>	—	\$ —	87,522	\$ 876	\$ 383,123	\$ (278,843)	\$ 71,435	\$ (31,236)	\$ 145,355

See accompanying notes to the consolidated financial statements.

**DHI GROUP, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**For the years ended December 31, 2018, 2017 and 2016**  
**(in thousands)**

	For the year ended December 31,		
	2018	2017	2016
Cash flows from operating activities:			
Net income (loss)	\$ 7,174	\$ 15,978	\$ (5,398)
Adjustments to reconcile net income (loss) to net cash flows from operating activities:			
Depreciation	9,280	9,752	9,849
Amortization of intangible assets	482	2,138	6,787
Deferred income taxes	2,699	212	(3,268)
Amortization of deferred financing costs	342	690	324
Stock based compensation	6,606	8,608	11,145
Impairment of goodwill	—	—	15,369
Impairment of fixed and intangible assets	—	2,226	9,252
Change in accrual for unrecognized tax benefits	(1,179)	346	(923)
(Gain) loss on sale of businesses	(3,369)	(6,699)	639
Changes in operating assets and liabilities:			
Accounts receivable	11,947	1,976	2,281
Prepaid expenses and other assets	1,759	(1,120)	(132)
Capitalized contract costs	(3,236)	—	—
Accounts payable and accrued expenses	1,743	1,659	(2,954)
Income taxes receivable/payable	(972)	(2,111)	(64)
Deferred revenue	(18,866)	712	2,370
Other, net	508	42	(280)
Net cash flows from operating activities	14,918	34,409	44,997
Cash flows from (used in) investing activities:			
Cash received from sale of business, net	17,542	12,947	2,429
Purchases of fixed assets	(10,053)	(13,222)	(11,699)
Purchases of cost method investments	—	(500)	(1,500)
Net cash flows from (used in) investing activities	7,489	(775)	(10,770)
Cash flows used in financing activities:			
Payments on long-term debt	(31,000)	(44,000)	(42,000)
Proceeds from long-term debt	7,000	—	27,000
Payments under stock repurchase plan	(1,977)	—	(29,572)
Proceeds from stock option exercises	—	403	2,806
Purchase of treasury stock related to vested restricted stock and performance stock units	(693)	(1,184)	(2,868)
Financing costs paid	(504)	—	—
Net cash flows used in financing activities	(27,174)	(44,781)	(44,634)
Effect of exchange rate changes	(829)	228	(656)
Net change in cash for the period	(5,596)	(10,919)	(11,063)
Cash, beginning of period	12,068	22,987	34,050
Cash, end of period	\$ 6,472	\$ 12,068	\$ 22,987

*See accompanying notes to the consolidated financial statements.*

**DHI GROUP, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**1. ORGANIZATION AND PRINCIPAL ACTIVITIES**

DHI Group, Inc. (“DHI” or the “Company”), a Delaware corporation, was incorporated on June 28, 2005. DHI is a leading provider of data, insights and employment connections through its specialized services for technology professionals and other select online communities. Its mission is to empower tech professionals and organizations to compete and win through expert insights and relevant employment connections. Employers and recruiters use its websites and services to source, hire and connect with the most qualified and highly-skilled tech professionals, while professionals use its websites and services to find ideal employment opportunities, relevant job advice and tailored career-related data. For over 25 years, through its predecessor companies, the Company was built on providing employers and professionals with career connections, news, tools and information. The Company serves multiple markets located throughout North America, Europe, the Middle East and the Asia Pacific region.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**Principles of Consolidation** — The consolidated financial statements include the accounts of DHI and its wholly-owned subsidiaries and cost method investment. All intercompany balances and transactions have been eliminated in consolidation.

**Revenue Recognition** — On January 1, 2018, we adopted Topic 606 applying the modified retrospective method to all contracts that were not completed as of January 1, 2018. Results for periods beginning after January 1, 2018 are presented under Topic 606, while prior periods are reported under the accounting standards in effect for the period presented.

Under Topic 606, we recognize revenue when control of the promised goods or services is transferred to our customers at an amount that reflects the consideration to which we expect to receive in exchange for those goods or services. Revenue is recognized net of customer discounts ratably over the service period. Billings with customers are based on contractual schedules. Customer billings delivered in advance and payments received in advance of services being rendered are recorded as deferred revenue and recognized over the service period. We generate revenues from the following sources:

**Recruitment packages.** Recruitment package revenues are derived from the sale to recruiters and employers of a combination of job postings and access to a searchable database of candidates on the Dice, ClearanceJobs, eFinancialCareers and Rigzone (sold the RigLogix portion of the Rigzone business on February 20, 2018 and DHI transferred majority ownership of the remaining Rigzone business to Rigzone management on August 31, 2018). Certain of the Company’s arrangements include multiple performance obligations, which primarily consists of the ability to post jobs and access to a searchable database of candidates. The Company determines the units of accounting for multiple performance obligations in accordance with Topic 606. Specifically, the Company considers a performance obligation as a separate unit of accounting if it has value to the customer on a standalone basis. The Company’s arrangements do not include a general right of return. Services to customers buying a package of available job postings and access to the database are delivered over the same period and revenue is recognized ratably over the length of the underlying contract, typically from one to twelve months. The separation of the package into two deliverables results in no change in revenue recognition since delivery of the two services occurs over the same time period.

**Advertising revenue.** Advertising revenue is recognized over the period in which the advertisements are displayed on the websites or at the time a promotional e-mail is sent out to the audience.

**Classified revenue.** Classified job posting revenues are derived from the sale of job postings to recruiters and employers. A job posting is the ability to list a job on the website for a specified time period. Revenue from the sale of classified job postings is recognized ratably over the length of the contract or the period of actual usage.

**Data services revenue.** Access to the Company’s database of energy industry data is provided to customers for a fee. Data services revenue is recognized ratably over the length of the underlying contract, typically from one to twelve months. The data services business, called RigLogix, was sold on February 20, 2018.

**Career fair and recruitment event booth rentals.** Career fair and recruitment event revenues are derived from renting booth space to recruiters and employers. Revenue from these sales are recognized when the career fair or recruitment event is held.

**Concentration of Credit Risk**— Cash is maintained with several financial institutions. Deposits held with banks may exceed the amount of insurance provided on such deposits. These deposits may be redeemed upon demand. The Company believes it is not exposed to any significant credit risk.

**DHI GROUP, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

The Company performs ongoing credit evaluations of its customers' financial condition and generally does not require collateral on accounts receivable. No single customer represents 10% or more of revenues for the years ended December 31, 2018, 2017 and 2016.

**Allowance for Doubtful Accounts**— The Company maintains allowances for doubtful accounts for estimated losses resulting from the inability of its customers to make required payments. If the financial condition of DHI's customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

**Statements of Cash Flows**— All bank deposits are considered cash.

The supplemental disclosures to the accompanying consolidated statements of cash flows are as follows (in thousands):

	2018	2017	2016
<b>Supplemental cash flow information:</b>			
Interest paid	\$ 1,807	\$ 3,254	\$ 3,256
Taxes paid	2,634	4,697	9,096
<b>Non-cash investing and financing activities:</b>			
Capital expenditures on fixed assets included in accounts payable and accrued expenses	223	63	201

**Investments**— During 2017, pursuant to the achievement of certain performance milestones, the Company purchased additional preferred stock representing a 2.3% interest in the fully diluted shares of a leading tech skills assessment company for \$0.5 million, bringing its total interest to 10.0%. During the year ended December 31, 2018, the skills assessment company completed an additional equity offering, lowering DHI's total interest to 7.6%. As of December 31, 2018, it was not practicable to estimate the fair value of the preferred stock as the shares are not traded. The investment is carried at its original cost of \$2.0 million, which is included in the other asset section of the consolidated balance sheets.

On January 31, 2018, the Company transferred a majority ownership of the BioSpace business to BioSpace management with zero proceeds received from the transfer. The Company retained a 20% preferred share interest in the BioSpace business. The fair value of the investment was estimated to be zero at the time of the transfer. As of December 31, 2018, it was not practicable to estimate the fair value of the preferred stock investment as the shares are not traded. The investment is recorded at cost, which is zero. Upon a liquidation, sale or change in control of BioSpace within five years of January 31, 2018, the Company has the right to the first \$1.0 million of proceeds or the option to convert its 20% preferred stock interest to a 20% common stock interest. On January 31, 2023, the 20% preferred share interest will convert to a 20% common share interest.

On August 31, 2018, the Company transferred a majority ownership of the Rigzone business to Rigzone management, while retaining a 40% common share interest, with zero proceeds received from the transfer. The Company has agreed to provide \$0.4 million of funding to the Rigzone business, which is recorded in accounts payable and accrued expenses on the consolidated balance sheets as of December 31, 2018. The Company has no further funding requirements to the Rigzone business. The Company has evaluated the 40% common share investment in the Rigzone business and has determined the investment meets the definition and criteria of a variable interest entity ("VIE"). The Company evaluated the VIE and determined that the Company does not have a controlling financial interest in the VIE, as the Company does not have the power to direct the activities of the VIE that most significantly impact the VIE's economic performance. The common share interest is being accounted for under the equity method of accounting as the Company has the ability to exercise significant influence over Rigzone. As accumulated earnings of the VIE have been approximately zero since the date of transfer, the investment continues to be recorded at cost, which was zero at December 31, 2018.

Rigzone is a website dedicated to delivering online content, data, and career services in the oil and gas industry in North America, Europe, the Middle East, and Asia Pacific. Oil and gas companies, as well as companies that serve the energy industry, use Rigzone to find talent for roles such as petroleum engineers, sales, professionals with energy industry expertise and skilled tradesmen.

**Fixed Assets**— Depreciation of equipment, furniture and fixtures, computer software and capitalized website development costs are provided under the straight-line method over estimated useful lives ranging from two to five years. Amortization of leasehold improvements is provided over the shorter of the term of the related lease or the estimated useful life of the improvement. The cost of additions and betterments is capitalized, and repairs and maintenance costs are charged to operations in the periods incurred.

**DHI GROUP, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Capitalized Software Costs**— Capitalized software costs consist of costs to purchase and develop software for internal use. The Company capitalizes certain incurred software development costs in accordance with the Internal Use Software subtopic of the FASB ASC. Costs incurred during the application-development stage for software bought and further customized by outside vendors for the Company's use and software developed by a vendor for the Company's proprietary use have been capitalized.

**Website Development Costs**— The Company capitalizes certain costs incurred in designing, developing, testing and implementing enhancements to its websites. These costs are amortized over the enhancement's estimated useful life, which generally approximates two years. Costs related to the planning and post implementation phases of website development efforts are expensed as incurred.

**Goodwill and Indefinite-Lived Acquired Intangible Assets**— Goodwill is recorded when the purchase price paid for an acquisition exceeds the estimated fair value of the net identified tangible and intangible assets acquired. The indefinite-lived acquired intangible assets include the Dice trademarks and brand name. The Company performs a test for impairment of goodwill and indefinite-lived intangible assets annually on October 1, or more frequently if indicators of potential impairment exist, to determine if the carrying value of the recorded asset is impaired. The impairment review process for goodwill compares the fair value of the reporting unit in which goodwill resides to its carrying value. The impairment review process for indefinite-lived intangible assets compares the fair value of the assets to their carrying value. The determination of whether or not the asset has become impaired involves a significant level of judgment in the assumptions underlying the approach used to determine the value of the Company's reporting units or the intangible asset. Changes in the Company's strategy and/or market conditions could significantly impact these judgments and require adjustments to recorded amounts of goodwill or indefinite-lived intangible assets. See Note 5 for discussion of impairment charges.

**Capitalized Contract Costs**— The Company capitalizes certain contract acquisition costs consisting primarily of commissions paid when contracts are signed. For costs incurred to obtain new business sales contracts, the Company capitalizes and expenses these costs over an average customer life, which was approximately two years as of December 31, 2018. For the remaining sales contracts, the Company capitalizes and expenses these costs over a weighted average contract term, which was approximately one year as of December 31, 2018. See Note 3 for additional contract acquisition cost disclosures.

**Foreign Currency Translation**— For the Company's foreign operations whose functional currency is not the U.S. dollar, the assets and liabilities are translated into U.S. dollars at current exchange rates. Resulting translation adjustments are reflected as Other Comprehensive Income (Loss). Revenue and expenses are translated at average exchange rates for the period. Transaction gains and losses that arise from exchange rate fluctuations on transactions denominated in a currency other than the functional currency are charged to operations as incurred.

**Advertising Costs**— The Company expenses advertising costs as they are incurred. Advertising expense for the years ended December 31, 2018, 2017 and 2016 was \$26.7 million, \$35.3 million and \$30.5 million, respectively.

**Income Taxes**— The Company recognizes deferred taxes by the asset and liability method. Under this method, deferred income taxes are recognized for differences between the financial statement and tax bases of assets and liabilities at enacted statutory tax rates in effect for the years in which the differences are expected to reverse. Valuation allowances are established when necessary to reduce deferred tax assets to the amounts expected to be realized. The primary sources of temporary differences are stock-based compensation, amortization and impairment of intangible assets, and depreciation of fixed assets.

**Stock-Based Compensation**— The Company has a plan to grant equity awards to certain employees and directors of the Company and its subsidiaries. See Note 13.

**Fair Value of Financial Instruments**— The carrying amounts reported in the consolidated balance sheets for cash, accounts receivable, and accounts payable and accrued expenses approximate their fair values. The Company's long-term debt consists of borrowings under its credit facility. See Note 5 for fair value disclosures.

**Risks and Uncertainties**— The Company is subject to the risks, expenses and uncertainties frequently encountered by companies in the rapidly evolving markets for online products and services. These risks include the failure to develop and extend the Company's online service brands, the rejection of the Company's services by consumers, vendors and/or advertisers, the inability of the Company to maintain and increase the levels of traffic on its online services, as well as other risks and uncertainties. In the event that the Company does not successfully execute its business plan, certain assets may not be recoverable.

**Use of Estimates**— The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities as of the date of the financial statements, and reported amounts of



**DHI GROUP, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

revenues and expenses during the reporting period. Actual results could differ from these estimates. DHI's significant estimates include the useful lives and valuation of fixed assets and intangible assets, goodwill, the income tax valuation allowance, and the assumptions used to value the Performance-Based Restricted Stock Units ("PSUs") of the Company.

**Earnings (Loss) per Share**— The Company follows the Earnings Per Share topic of the FASB ASC in computing earnings per share ("EPS"). Basic EPS is calculated by dividing net income (loss) by the weighted average number of shares outstanding. When the effects are dilutive, diluted earnings (loss) per share is calculated using the weighted average number of shares outstanding, and the dilutive effect of stock-based compensation awards as determined under the treasury stock method. Certain stock awards were excluded from the computation of diluted (loss) earnings per share due to their anti-dilutive effect. See Note 17.

**New Accounting Pronouncements**— In May 2014, FASB issued ASU No. 2014-09 ("Topic 606"), Revenue from Contracts with Customers. Topic 606 supersedes the revenue recognition requirements in Accounting Standards Codification Topic 605, Revenue Recognition, and requires entities to measure and recognize revenue and the related cash flows it expects to be entitled for the transfer of promised goods or services to customers and requires an entity to recognize the incremental costs of obtaining a contract with a customer as an asset if the entity expects to recover those costs over time. Topic 606 became effective for reporting periods beginning after December 15, 2017. Topic 606 provides companies with two implementation methods. Companies can choose to apply the standard retrospectively to each prior reporting period presented (full retrospective application) or retrospectively with the cumulative effect of initially applying the standard as an adjustment to the opening balance of retained earnings of the annual reporting period that includes the date of initial application (modified retrospective application). The Company has chosen the modified retrospective application method and has implement Topic 606 effective January 1, 2018.

The Company has determined that the January 1, 2018 cumulative effect to its revenue streams was an increase of approximately \$0.2 million to deferred revenues, and the cumulative effect to its contract acquisition costs was an increase to contract acquisition cost assets of approximately \$6.1 million, with a net after tax increase to retained earnings of approximately \$4.5 million. The cumulative impact on contract acquisition costs was computed based on contracts in force as of December 31, 2017 using average commission rates on both new business sales to be amortized over approximately two years and the remaining sales contracts to be amortized over approximately one year. See Note 3 to the Notes to the Consolidated Financial Statements.

In January 2016, the FASB issued ASU No. 2016-01, *Financial Instruments - Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities*. The new standard aims to improve existing U.S. GAAP and will change certain aspects of accounting for equity investments, financial instruments, financial liabilities, and presentation and related disclosures. The updated standard became effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. The Company adopted the new standard in the first quarter of 2018, and has determined the adoption did not have material impact on its consolidated financial statements.

In February 2016, the FASB issued ASU No. 2016-02, *Leases*. The new standard has requirements on how to account for leases by both the lessee and the lessor and adds clarification for what constitutes a lease, among other items. The updated standard becomes effective for fiscal years beginning after December 15, 2018 and interim periods the following year, with early adoption permitted. The new standard must be applied using a modified retrospective transition. In July 2018, the FASB issued updated guidance which allows an additional transition method to adopt the new standard at the adoption date, as compared to the beginning of the earliest period presented, and recognize a cumulative-effect adjustment to the beginning balance of retained earnings in the period of adoption. DHI has implemented the new standard effective January 1, 2019 and has elected to recognize a cumulative effect adjustment to the beginning balance of retained earnings in the period of adoption. Adoption of this standard has resulted in a right-of-use asset of approximately \$16 to \$18 million and a related lease liability of approximately \$17 to \$19 million being established on the Company's balance sheet, with no material cumulative-effect adjustment to retained earnings. The Company has implemented processes and tools to assist in the ongoing lease data collection and analysis, and has updated accounting policies and internal controls as a result of adopting this standard.

In March 2016, the FASB issued ASU No. 2016-09, *Improvements to Employee Share-Based Payment Accounting*. The Company adopted the standard during the three months ended March 31, 2017. The new standard requires all income tax effects of awards to be recognized in the income statement when the awards vest or are settled, rather than in additional paid-in capital. Accordingly, the new standard eliminates the requirement to reclassify excess tax benefits from operating activities to financing activities in the statement of cash flows. Additionally, the Company can now make a policy election to account for forfeitures as they occur. Amendments requiring recognition of excess tax benefits and tax deficiencies in the income statement were applied prospectively. The tax effect of awards vested resulted in income tax expense of \$1.4 million during the twelve months ended December 31, 2017. The Company recast 2016 cash flows to reflect the excess tax benefit as an operating activity, resulting in a reclassification of \$0.4 million from "Excess tax benefit over book expense from stock based compensation" to "Income taxes receivable/payable" on the Consolidated Statements of Cash Flows. The Company will record forfeitures as they occur, rather

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than estimating in advance. On January 1, 2017, under the modified retrospective transition method as required by the standard, the Company recorded a cumulative-effect adjustment of \$0.3 million to decrease accumulated earnings and increase additional paid-in capital to remove estimated forfeitures on all outstanding equity awards after December 31, 2016.

In January 2017, the FASB issued ASU No. 2017-04, *Intangibles-Goodwill and Other*. The new standard eliminates Step 2 from the goodwill impairment test and requires the Company to compare the fair value of a reporting unit with its carrying amount. The Company should recognize an impairment charge for the amount by which the carrying amount exceeds the fair value. The standard is effective for fiscal years beginning after December 15, 2019, with early adoption permitted. Accordingly, the Company has adopted the new standard during the year ended December 31, 2017, which did not have a material impact on the consolidated financial statements.

In August 2018, the FASB issued ASU No. 2018-15, *Intangibles-Goodwill and Other-Internal-Use Software: Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement that is a Service Contract*. The new standard requires entities that are customers in cloud computing arrangements to defer implementation costs if they would be capitalized by the entity in software licensing arrangements under the internal-use software guidance. ASU No. 2018-15 is effective for fiscal years beginning after December 15, 2019 and interim periods within those years and early adoption is permitted. The amendments allow either a retrospective or prospective approach to all implementation costs incurred after adoption. The Company is evaluating the expected impact of this standard on its consolidated financial statements.

### **3. REVENUE RECOGNITION**

On January 1, 2018, the Company adopted Topic 606 applying the modified retrospective method to all contracts that were not completed as of January 1, 2018. Results for reporting periods beginning after January 1, 2018 will be presented under Topic 606, while prior period amounts will not be adjusted and continue to be reported under the accounting standards in effect prior to January 1, 2018.

We recorded a net increase to opening retained earnings of \$4.5 million as of January 1, 2018 due to the cumulative impact of adopting Topic 606.

#### Changes in accounting policies as a result of adopting Topic 606 and nature of goods.

The Company recognizes revenue when control of the promised goods or services is transferred to our customers at an amount that reflects the consideration to which we expect to receive in exchange for those goods or services. Revenue is recognized net of customer discounts ratably over the service period. Customer billings delivered in advance of services being rendered are recorded as deferred revenue and recognized over the service period. See also Note 2 to the Notes to Consolidated Financial Statements.

#### Disaggregation of revenue

Our brands serve various economic professions, such as technology, financial, hospitality (the Hcareers business was sold on May 22, 2018), and energy (sold the RigLogix portion of the Rigzone business on February 20, 2018 and transferred majority ownership of the remaining Rigzone business to Rigzone management on August 31, 2018). The following table provides information about disaggregated revenue by brand and includes a reconciliation of the disaggregated revenue with reportable segments (in thousands):

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**For the Year Ended December 31, 2018**

	<b>Tech-focused</b>	<b>Corporate &amp; Other</b>	<b>Total</b>
Dice (1)	\$ 94,438	\$ —	\$ 94,438
ClearanceJobs	21,086	—	21,086
Dice Europe (2)	2,976	—	2,976
eFinancial Careers	33,758	—	33,758
Hcareers (3)	—	5,329	5,329
Rigzone (3)	—	3,771	3,771
BioSpace (3)	—	212	212
<b>Total</b>	<b>\$ 152,258</b>	<b>\$ 9,312</b>	<b>\$ 161,570</b>

(1) Includes Dice U.S. and Targeted Job Fairs.

(2) The Company ceased Dice Europe operations on August 31, 2018.

(3) The Company sold the RigLogix portion of the Rigzone business on February 20, 2018 and transferred majority ownership of the remaining Rigzone business to Rigzone management on August 31, 2018. Hcareers was sold on May 22, 2018 and the Company transferred majority ownership of BioSpace to BioSpace management on January 31, 2018.

Revenue for periods ending prior to January 1, 2018 have not been presented under Topic 606.

**Contract Balances**

The following table provides information about opening and closing balances of receivables and contract liabilities from contracts with customers as required under Topic 606 (in thousands):

	As of December 31, 2018	As of January 1, 2018
Receivables	\$ 22,850	\$ 38,769
Short-term contract liabilities (deferred revenue)	54,723	83,646
Long-term contract liabilities (deferred revenue)	1,363	—

We receive payments from customers based upon contractual billing schedules; accounts receivable is recorded when customers are invoiced per the contractual billing schedules. As the Company's standard payment terms are less than one year, the Company elected the expedient, where applicable. As a result, the Company did not consider the effects of a significant financing component. Contract liabilities include customer billings delivered in advance of performance under the contract, and associated revenue is realized when services are rendered under the contract.

Receivables increase due to customer billings and decrease by cash collected from customers along with business divestitures. Included in January 1, 2018 is \$4.4 million of receivables related to businesses divested during the year ended December 31, 2018. Contract liabilities increase due to customer billings and are decreased as performance obligations are satisfied under the contracts. Included in January 1, 2018 is \$8.4 million of short-term contract liabilities related to the businesses divested during the year ended December 31, 2018.

During the year ended December 31, 2018, the Company recognized the following revenues as a result of changes in the contract liability balances in the respective periods (in thousands):

	<b>Year Ended December 31, 2018</b>
<b>Revenue recognized in the period from:</b>	
Amounts included in the contract liability at the beginning of the period	\$ 75,967

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Transaction price allocated to the remaining performance obligations

Under the guidance of Topic 606, the following table includes estimated revenue expected to be recognized in future periods related to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period (in thousands):

	2019	2020	2021	Total
Tech-focused	\$ 54,723	\$ 1,348	\$ 15	\$ 56,086

Contract acquisition costs

In connection with the adoption of Topic 606, we are required to capitalize certain contract acquisition costs consisting primarily of commissions paid when contracts are signed. As allowed for by the practical expedient, the Company is using a portfolio approach for contract acquisition costs, which allows the new revenue guidance to be applied to a portfolio of contracts with similar characteristics. As a result, the Company has applied the portfolio approach to new business contracts and recurring or remaining business contracts. The Company reasonably expects that the effects of applying the portfolio approach would not differ materially from applying Topic 606 at the individual contract level. As of January 1, 2018, the date we adopted Topic 606, we capitalized \$6.1 million in contract acquisition costs related to contracts that were not completed. The cumulative effect for contract acquisition costs was computed based on contracts in force as of December 31, 2017 using the average commission rates on both new business sales contracts, to be amortized over approximately two years, and the remaining sales contracts to be amortized over approximately one year. For costs incurred to obtain new business sales contracts, we will record these costs over an average customer life, which was determined using customer renewal rates; for the remaining sales contracts, we will record these costs over the weighted average contract term. For the year ended December 31, 2018, the Company recorded \$10.1 million of expense related to the amortization of contract acquisition costs and there was no impairment loss incurred. During the year ended December 31, 2018 \$1.2 million of contract acquisition costs were removed due to the sale of BioSpace and the RigLogix portion of the Rigzone business in the first quarter of 2018, the sale of Hcareers in the second quarter of 2018, and the transfer of majority ownership of the remaining Rigzone business to Rigzone management in the third quarter of 2018.

In accordance with Topic 606, the impact of adoption to our consolidated statements of operations was as follows:

(in thousand, except per share amounts)	Year Ended December 31, 2018		
	As Reported	Balance Without Adoption of Topic 606	Effect of Change-Higher (Lower)
Revenues	\$ 161,570	\$ 161,457	\$ 113
Operating expenses	\$ 153,247	\$ 156,129	\$ (2,882)
Gain on sale of businesses	\$ 3,369	\$ 4,568	\$ (1,199)
Operating income	\$ 11,692	\$ 9,896	\$ 1,796
Net income	\$ 7,174	\$ 5,827	\$ 1,347
Basic earnings per share	\$ 0.15	\$ 0.12	\$ 0.03
Diluted earnings per share	\$ 0.14	\$ 0.12	\$ 0.02

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In accordance with Topic 606, the impact of adoption to our consolidated balance sheets was as follows:

(in thousands)	As of December 31, 2018		
	As reported	Balance Without Adoption of Topic 606	Effect of Change-Higher (Lower)
<b>Assets</b>			
Capitalized contract assets	\$ 7,939	\$ —	\$ 7,939
<b>Total Assets</b>	<b>\$ 258,385</b>	<b>\$ 250,446</b>	<b>\$ 7,939</b>
<b>Liabilities &amp; Stockholders Equity</b>			
Deferred revenue	\$ 54,723	\$ 54,610	\$ 113
Deferred income taxes	\$ 10,444	\$ 8,450	\$ 1,994
<b>Total liabilities</b>	<b>\$ 113,030</b>	<b>\$ 110,923</b>	<b>\$ 2,107</b>
<b>Stockholders equity</b>			
Accumulated earnings	\$ 71,435	\$ 65,603	\$ 5,832
<b>Total stockholders' equity</b>	<b>\$ 145,355</b>	<b>\$ 139,523</b>	<b>\$ 5,832</b>
<b>Total liabilities &amp; stockholders' equity</b>	<b>\$ 258,385</b>	<b>\$ 250,446</b>	<b>\$ 7,939</b>

In accordance with Topic 606, the impact of adoption to our consolidated statements of cash flows was as follows:

	Year Ended December 31, 2018		
	As Reported	Balance Without Adoption of Topic 606	Effect of Change-Higher (Lower)
Cash flows from operating activities:			
Net Income	\$ 7,174	\$ 5,827	\$ 1,347
Adjustments to reconcile net income to net cash flows from operating activities:			
Deferred income taxes	\$ 2,699	\$ 1,896	\$ 803
Gain on sale of businesses, net	\$ (3,369)	\$ (4,568)	\$ 1,199
Capitalized contract costs	\$ (3,236)	\$ —	\$ (3,236)
Deferred revenue	\$ (18,866)	\$ (18,753)	\$ (113)
Net cash flows from operating activities	\$ 14,918	\$ 14,918	\$ —

#### 4. SALE OF BUSINESSES

The Company transferred a majority ownership of the Rigzone business to Rigzone management on August 31, 2018. The Company retained a 40% common share interest in Rigzone. The Company incurred approximately \$0.4 million in selling costs and recognized a \$0.7 million loss on sale during the year ended December 31, 2018.

The Company sold the Hcareers business on May 22, 2018 for \$16.5 million and incurred approximately \$1.5 million in selling costs, with \$1.7 million of the purchase price placed in escrow (recorded in prepaid and other current assets), to be released twelve months after the closing date, subject to the terms and conditions of the transaction agreement, including certain contingencies. Additionally, the Company recorded a receivable of \$0.2 million (recorded in prepaid and other current assets) related to working capital to be released four months after the closing date, subject to the terms and conditions of the transaction agreement. As of December 31, 2018, working capital had not been finalized. Net cash proceeds of \$14.0 million were received on the date of sale of Hcareers. As a result of the sale, a \$0.8 million loss was recognized in the second quarter of 2018.

The Company sold the RigLogix portion of the Rigzone business on February 20, 2018 for \$4.2 million and incurred approximately \$0.6 million in selling costs. \$0.4 million of the purchase price was placed in escrow (recorded in prepaid and other current assets) and will be released twelve months after the closing date, subject to the terms and conditions of the transaction

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agreement. As a result of the sale, a \$4.6 million gain was recognized in the first quarter of 2018. The gain on sale exceeded net proceeds as liabilities transferred in the transaction exceeded assets, primarily due to deferred revenues of \$1.2 million .

The Company transferred a majority ownership of the BioSpace business to BioSpace management on January 31, 2018. The Company retained a preferred share interest in BioSpace, Inc., representing a 20% diluted interest. The Company incurred approximately \$0.3 million in selling costs and recognized a \$0.5 million loss on sale during the year ended December 31, 2018.

The Company sold the Health eCareers business on December 4, 2017 for \$15.0 million and incurred approximately \$0.6 million of selling costs. \$1.5 million of the purchase price was placed in escrow (recorded in other current assets in the consolidated balance sheet) and will be released 18 months after the closing date, subject to the terms and conditions of the transaction agreement. Additionally, the Company recorded a receivable of \$0.6 million (recorded in other current assets in the consolidated balance sheet) related to working capital, which was released during the first quarter of 2018. Net cash proceeds on the date of sale were \$12.9 million . A \$6.7 million gain on the sale of the business during the fourth quarter of 2017.

The Company sold the Slashdot and SourceForge businesses (together referred to as “Slashdot Media”) on January 27, 2016 for \$2.8 million cash plus working capital of \$0.4 million and incurred approximately \$0.8 million of selling costs. A \$0.6 million loss on sale of business was recognized in the year ended December 31, 2016.

## **5. FAIR VALUE MEASUREMENTS**

The FASB ASC topic on Fair Value Measurements and Disclosures defines fair value, establishes a framework for measuring fair value and requires certain disclosures for each major asset and liability category measured at fair value on either a recurring or nonrecurring basis. As a basis for considering assumptions, a three-tier fair value hierarchy is used, which prioritizes the inputs used in measuring fair value as follows:

- Level 1 – Quoted prices for identical instruments in active markets.
- Level 2 – Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-derived valuations, in which all significant inputs are observable in active markets.
- Level 3 – Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The carrying amounts reported in the Consolidated Balance Sheets for cash, accounts receivable, other assets, accounts payable and accrued expenses and long-term debt approximate their fair values. The fair value of the long-term debt was estimated using present value techniques and market based interest rates and credit spreads. The estimated fair value of long-term debt is based on Level 2 inputs.

Certain assets and liabilities are measured at fair value on a non-recurring basis. These assets include goodwill and intangible assets which result as acquisitions occur. Items valued using such internally generated valuation techniques are classified according to the lowest level input or value driver that is significant to the valuation. Thus, an item may be classified in Level 3 even though there may be some significant inputs that are readily observable. Such instruments are not measured at fair value on an ongoing basis but are subject to fair value adjustments in certain circumstances, for example, when there is evidence of impairment.

**Impairment**—The impairment review process for goodwill compares the fair value of the reporting unit in which the goodwill resides to the carrying value of that reporting unit. If the fair value of the reporting unit is less than the carrying value, an impairment charge is recorded for the excess of the carrying value over the fair value of the reporting unit. Fair values are determined either by using a discounted cash flow methodology or by using a combination of a discounted cash flow methodology and a market comparable method. The discounted cash flow methodology is based on projections of the amounts and timing of future revenues and cash flows, assumed discount rates and other assumptions as deemed appropriate. Factors such as historical performance, anticipated market conditions, operating expense trends and capital expenditure requirements are considered. Additionally, the discounted cash flows analysis takes into consideration cash expenditures for product development, other technological updates and advancements to the websites and investments to improve the candidate databases. The market comparable method indicates the fair value of a business by comparing it to publicly traded companies in similar lines of business or to comparable transactions or assets. Considerations for factors such as size, growth, profitability, risk and return on investment are analyzed and compared to the comparable businesses and adjustments are made. A market value of invested capital of the publicly traded companies is calculated and then applied to the entity’s operating results to arrive at an estimate of value.

During the third quarter of 2016, goodwill at the Energy reporting unit with a carrying value of \$15.4 million was tested for impairment due to the decline in demand for energy professionals, stemming from persistently depressed oil prices. The Company recorded an impairment of goodwill of \$ 15.4 million as of September 30, 2016, bringing goodwill at the Energy reporting unit to zero. In order to arrive at the implied fair value of goodwill, the Company calculated the fair value of all the assets and liabilities of the reporting unit as if it had been acquired in a business combination. After assigning fair value to the assets and liabilities of

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the reporting unit, the implied fair value of goodwill resulted in an impairment of \$ 15.4 million in the year ended December 31, 2016. The goodwill balance represented a Level 3 asset measured at fair value on a nonrecurring basis subsequent to its original recognition.

The fair value of the assets and liabilities of the Energy reporting unit was determined by a combination of a discounted cash flow methodology and market comparable method. Cash flow projections for this reporting unit decreased due to a decline in financial performance resulting from persistently low oil prices. The charge is reflected as Impairment of Goodwill on the Consolidated Statements of Operations.

As required under FASB ASC 360, *Impairment or Disposal of Long-Lived Assets*, an impairment loss shall be recognized only if the carrying amount of the long-lived asset is not recoverable and exceeds its fair value. During 2017, the Company performed an in-depth review of the getTalent product and the market outlook due to slow sales of the product and the high cost of development. Based on the review, the Company determined the required investments to competitively position the product were too high. As a result, the product offering was canceled. The long-lived assets of getTalent were tested for recoverability. This process resulted in an impairment of capitalized website development costs of \$9.3 million, which was recorded in the third quarter of 2017 and reduced the net book value of assets related to getTalent to zero. During 2016, the long-lived assets of the Energy reporting unit were tested for recoverability due to the downturn in the current and expected future financial performance of the reporting unit and an impairment charge of unamortized intangible assets of \$2.2 million was recorded, which reduced the unamortized intangible assets at the Energy reporting unit to zero. Both getTalent (discontinued in the third quarter of 2017) and Energy (sold RigLogix portion of the Rigzone business on February 20, 2018 and transferred majority ownership of the remaining business to Rigzone management on August 31, 2018) are included in Corporate & Other.

#### 6. FIXED ASSETS, NET

Fixed assets, net consist of the following as of December 31, 2018 and 2017 (in thousands):

	2018	2017
Computer equipment and software	\$ 8,954	\$ 13,588
Furniture and fixtures	2,809	3,093
Leasehold improvements	2,890	3,199
Capitalized development costs	26,919	21,824
	41,572	41,704
Less: Accumulated depreciation and amortization	(25,682)	(25,557)
Fixed assets, net	\$ 15,890	\$ 16,147

#### 7. ACQUIRED INTANGIBLE ASSETS, NET

As a result of the sale of Hcareers (sold May 22, 2018), the Company disposed of all its remaining unamortized acquired intangible assets. Acquired intangible assets disposed of in conjunction with the sale had costs of \$12.9 million and accumulated amortization of \$6.7 million. Therefore, as of December 31, 2018, the net value of all finite-lived acquired intangible assets was zero.

As of December 31, 2018, the Company had an indefinite-lived acquired intangible asset of \$39.0 million related to the Dice trademark and brand name. The Company evaluates the indefinite-lived acquired intangible asset for impairment on an annual basis. No impairment has been recorded during the twelve months ending December 31, 2018.

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Below is a summary of the major acquired intangible assets (in thousands) as of December 31, 2017:

	As of and for the year ended December 31, 2017			
	Total Cost	Accumulated Amortization	Foreign Currency Translation Adjustment	Acquired Intangible Assets, Net
Technology	\$ 4,561	\$ (3,930)	\$ (631)	\$ —
Trademarks and brand names—Dice	39,000	—	—	39,000
Trademarks and brand names—Other	11,103	(7,260)	(2,185)	1,658
Customer lists	12,887	(5,696)	(2,112)	5,079
Candidate and content database	8,857	(8,354)	(503)	—
Acquired intangible assets, net	<u>\$ 76,408</u>	<u>\$ (25,240)</u>	<u>\$ (5,431)</u>	<u>\$ 45,737</u>

During the fourth quarter of 2017, the Company disposed of \$4.6 million of fully amortized acquired intangible assets from the sale of Health eCareers (sold December 4, 2017).

During the first quarter of 2017 and the second quarter of 2016, the Company retired \$26.7 million and \$44.1 million, respectively, of fully amortized acquired intangible assets.

During the quarter ended September 30, 2016, the long-lived assets of the Energy reporting unit were tested for recoverability due to the downturn in the current and expected future financial performance of the reporting unit. The Company recorded an impairment of unamortized intangible assets of \$9.3 million as of September 30, 2016.

*Indefinite Life on Trade Name*

Considering the recognition of the Dice brand, its long history, awareness in the talent acquisition and staffing services market, and the intended use, the remaining useful life of the Dice.com trademarks and brand name was determined to be indefinite. We determine whether the carrying value of recorded indefinite-lived acquired intangible assets is impaired on an annual basis or more frequently if indicators of potential impairment exist. The impairment review process compares the fair value of the indefinite-lived acquired intangible assets to its carrying value. If the carrying value exceeds the fair value, an impairment loss is recorded. The impairment test performed as of October 1, 2018 and 2017 resulted in the fair value of the Dice trademarks and brand name exceeding the carrying value by 2% and 4%, respectively.

Revenue attributable to the Dice trademarks and brand name have declined during the year ended December 31, 2018 due to competition in the technology recruiting market, challenges in developing and introducing new products and product enhancements to the market and the Company's ability to attribute value delivered to customers. Revenues related to the Dice trademarks and brand name declined 7% and 10% for the years ended December 31, 2018 and 2017, respectively, and declined 4% and 10% for the three months ended December 31, 2018 and 2017, respectively. The rate of revenue decline narrowed throughout 2018. Revenue projections for the year ended December 31, 2019 and beyond include a modest increase compared to the year ended December 31, 2018. The Company's ability to achieve these revenue projections may be impacted by, among other things, the factors noted above that have contributed to the decline in recent periods. Cash flows attributable to the Dice trademarks and brand name declined during 2018 as a result of the lower revenue, as well as increased spending focused on new and enhanced products and consulting fees related to expense reduction strategies. Operating expenses, excluding amortization expense, impairment charges and disposition related and other costs, are projected to slightly decline for the year ended December 31, 2019 as compared to the year ended December 31, 2018 and then increase at levels that allow for modest operating margin improvements. If future cash flows attributable to the Dice trademark are not achieved, the Company could realize an impairment in a future period. The Company utilized a relief from royalty rate method to value the Dice trademarks and brand name using a royalty rate of 6.0% based on comparable industry studies and improving operating margins and a discount rate of 15.3%.

The determination of whether or not indefinite-lived acquired intangible assets have become impaired involves a significant level of judgment in the assumptions underlying the approach used to determine the value of the indefinite-lived acquired intangible assets. Fair values are determined using a profit allocation methodology which estimates the value of the trademark and brand name by capitalizing the profits saved because the company owns the asset. We consider factors such as historical performance, anticipated market conditions, operating expense trends and capital expenditure requirements. Changes in our strategy and/or market conditions could significantly impact these judgments and require adjustments to recorded amounts of intangible assets. If projections are not achieved, the Company could realize an impairment in a future period.



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**8. INDEBTEDNESS**

**Credit Agreement** —In November 2018, the Company, together with Dice Inc. (a wholly-owned subsidiary of the Company) and its wholly-owned subsidiary, Dice Career Solutions, Inc. (collectively, the “Borrowers”), entered into a Second Amended and Restated Credit Agreement (the “Credit Agreement”), which matures in November 2023, and replaces the previously existing credit agreement dated November 2015. The Credit Agreement provides for a revolving loan facility of \$90 million (previously \$150 million), with an Expansion Option up to \$140 million, as permitted in the Credit Agreement. The Company borrowed \$18 million to repay, in full, all outstanding indebtedness, including accrued interest, under the previous credit agreement and to pay certain costs associated with the Credit Agreement. Unamortized debt issuance costs of \$0.2 million were recorded to interest expense at the time of reduction.

Borrowings under the Credit Agreement bear interest, at the Company’s option, at a LIBOR rate or a base rate plus a margin. The margin ranges from 1.75% to 2.50% on LIBOR loans and 0.75% to 1.50% on base rate loans, determined by the Company’s most recent consolidated leverage ratio. The facility may be prepaid at any time without penalty.

The Credit Agreement contains various customary affirmative and negative covenants and also contains certain financial covenants, including a consolidated leverage ratio and a consolidated interest coverage ratio. Borrowings are allowed under the Credit Agreement to the extent the consolidated leverage ratio, calculated on a pro forma basis, is equal to or less than 2.50 to 1.00. Negative covenants include restrictions on incurring certain liens; making certain payments, such as stock repurchases and dividend payments; making certain investments; making certain acquisitions; making certain dispositions; and incurring additional indebtedness. Restricted payments are allowed under the Credit Agreement to the extent the consolidated leverage ratio, calculated on a pro forma basis, is equal to or less than 2.00 to 1.00, plus an additional \$5.0 million of restricted payments. The Credit Agreement also provides that the payment of obligations may be accelerated upon the occurrence of customary events of default, including, but not limited to, non-payment, change of control, or insolvency. As of December 31, 2018, the Company was in compliance with all of the financial covenants under the Credit Agreement.

The obligations under the Credit Agreement are guaranteed by two of the Company’s wholly-owned subsidiaries, eFinancialCareers, Inc and Targeted Job Fairs, Inc. and secured by substantially all of the assets of the Borrowers and the guarantors and stock pledges from certain of the Company’s foreign subsidiaries.

**Previous Credit Agreement** —The Borrowers previously maintained an Amended and Restated Credit Agreement (the “Old Credit Agreement”), which was scheduled to mature in November 2020. The Old Credit Agreement, when entered into during November 2015, provided for a revolving loan facility of \$250.0 million, which was subsequently reduced to \$150.0 million, during August 2017, as permitted under the Old Credit Agreement. Unamortized debt issuance costs of \$0.4 million were recorded to interest expense at the time of reduction.

Borrowings under the Old Credit Agreement accrued interest, at the Company’s option, at a LIBOR rate or a base rate plus a margin. The margin ranges from 1.75% to 2.50% on LIBOR loans and 0.75% to 1.50% on base rate loans, determined by the Company’s most recent consolidated leverage ratio. There was no penalty for prepayment of this facility.

The amounts borrowed as of December 31, 2018 and 2017 are as follows (dollars in thousands):

	December 31, 2018	December 31, 2017
<b>Amounts borrowed:</b>		
Revolving credit facility	\$ 18,000	\$ 42,000
Less: deferred financing costs, net of accumulated amortization of \$25 and \$1,529	(712)	(550)
Total borrowed	<u>\$ 17,288</u>	<u>\$ 41,450</u>
Available to be borrowed under revolving facility	\$ 72,000	\$ 108,000
<b>Interest rates:</b>		
LIBOR rate loans:		
Interest margin	1.75%	2.25%
Actual interest rates	4.25%	3.88%

There are no scheduled payments until maturity of the Credit Agreement in November 2023.

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## 9. COMMITMENTS AND CONTINGENCIES

### *Leases*

The Company leases equipment and office space under operating leases expiring at various dates through December 2026. Future minimum lease payments under non-cancellable operating leases as of December 31, 2018 are as follows (in thousands):

2019	\$	4,244
2020		3,710
2021		3,097
2022		2,540
2023		2,300
2024 and thereafter		4,524
Total minimum payments	\$	20,415

Rent expense was \$3.7 million, \$4.9 million and \$4.5 million for the years ended December 31, 2018, 2017, and 2016, respectively, and is included in General and Administrative expense in the Consolidated Statements of Operations.

### *Litigation*

The Company is subject to various claims from taxing authorities, lawsuits and other complaints arising in the ordinary course of business. The Company records provisions for losses when claims become probable and the amounts are reasonably estimable. Although the outcome of these legal matters cannot be determined, it is the opinion of management that the final resolution of these matters will not have a material adverse effect on the Company's financial condition, operations or liquidity.

During the first quarter of 2018, the Company recorded a \$1.0 million liability related to a class action lawsuit regarding the applicability of provisions of the Fair Credit Reporting Act (the "FCRA") to one of our products. The recorded liability reflects a tentative settlement, which upon execution and final approval by the court, will resolve all remaining claims subject to the lawsuit. The lawsuit was brought by Ian Douglas, individually, as a representative of the class and on behalf of the general public, against DHI Group, Inc. and Dice Inc. asserting six claims under the FCRA that the Company's Open Web profiles are "consumer reports" and Dice is a "consumer reporting agency" under the FCRA, including claims pursuant to the private right of action in 15 U.S.C. Section 1681n for alleged willful violations of the FCRA. The action was originally filed in a federal district court on July 26, 2017, but as part of the settlement process, the action has been re-filed and is pending in the Superior Court of Santa Clara County, California (Case No. 18CV331732). The parties have moved for preliminary approval of the settlement, which the court is scheduled to hear in March 2019.

### *Tax Contingencies*

The Company operates in a number of tax jurisdictions and is routinely subject to examinations by various tax authorities with respect to income taxes and indirect taxes. The determination of the Company's worldwide provision for taxes requires judgment and estimation. The Company has reserved for potential examination adjustments to our provision for income taxes and accrual of indirect taxes in amounts which the Company believes are reasonable.

## 10. EQUITY TRANSACTIONS

**Stock Repurchase Plans** — In May 2018, the Board of Directors authorized a stock repurchase program that permits the purchase of up to \$7 million of the Company's common stock through May 2019. Under the plan, management has discretion in determining the conditions under which shares may be purchased from time to time. There were no stock repurchase plan in place during the year ended December 31, 2017. The following table summarizes the Stock Repurchase Plans approved by the Board of Directors:

	VI	VII
Approval Date	December 2015	May 2018
Authorized Repurchase Amount of Common Stock	\$50 million	\$7 million
Effective Dates	December 2015 to December 2016	May 2018 to May 2019

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During the years ended December 31, 2018, 2017 and 2016 purchases of the Company's common stock pursuant to Stock Repurchase Plans were as follows:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Approximate Dollar Value of Shares Purchased
Year Ended December 31, 2018	1,086,420	\$ 1.82	\$ 1,977,483
Year Ended December 31, 2017	—	\$ —	\$ —
Year Ended December 31, 2016	3,946,396	\$ 7.27	\$ 28,709,000

There were 26,337 unsettled share repurchases, which are included above in the number of shares purchased as of December 31, 2018. There were no unsettled shares repurchases as of December 31, 2017 and 2016.

**Convertible Preferred Stock**— The Company has 20 million shares of convertible preferred stock authorized, with a \$0.01 par value. No shares have been issued and outstanding since prior to our initial public offering in 2007. The rights, preferences, privileges and restrictions granted to and imposed on the convertible preferred stock are as set forth below. The Company currently has no preferred stock outstanding. The Company's amended and restated certificate of incorporation permits the terms of any preferred stock to be determined at the time of issuance.

*Dividend provisions*

The preferred stockholders would be entitled to dividends only when dividends are paid to common shareholders. In the event of a dividend, the holders of the preferred shares would be entitled to share in the dividend on a pro rata basis, as if their shares had been converted into shares of common stock.

*Conversion rights*

Any holder of preferred stock has the right, at its option, to convert the preferred shares into shares of common stock at a ratio of one preferred stock share for one common stock share. The holders of 66 <sup>2</sup>/<sub>3</sub> % of all outstanding preferred stock have the right at any time to require all the outstanding shares of preferred stock to be converted into an equal number of shares of common stock. Voting rights include the right to vote at a special or annual meeting of stockholders on all matters entitled to be voted on by holders of common stock, voting together as a single class with the common stock. There are no redemption rights associated with the preferred stock.

*Liquidation rights*

Upon the occurrence of liquidation, the holders of the preferred shares shall be paid in cash for each share of preferred stock held, out of, but only to the extent of, the assets of the Company legally available for distribution to its stockholders, before any payment or distribution is made to any shareholders of common stock. The liquidation value is \$2.17 per share, subject to adjustments for stock splits, stock dividends, combinations, or other recapitalizations of the preferred stock.

**Dividends**— No dividends have been declared in 2018, 2017 or 2016. Our Credit Agreement limits our ability to declare and pay dividends. Refer to Note 8 "Indebtedness."

**Unclaimed Shareholder Liability**— Prior to the third quarter of 2018, other long-term liabilities included \$1.0 million due to former shareholders of the Company under a Joint Plan of Reorganization that was agreed to by the Company and two of its creditors, and confirmed by the U.S. Bankruptcy Court of the Southern District Court of New York on June 24, 2003. During the third quarter of 2018, the Company concluded the unclaimed amounts were no longer due and payable and further, such amounts represent additional equity of the Company. Accordingly, the Company reclassified \$1.0 million from other long-term liabilities to additional paid-in capital during the third quarter of 2018.

**11. ACCUMULATED OTHER COMPREHENSIVE LOSS**

FASB ASC topic on Comprehensive Income establishes standards for the reporting and display of comprehensive income (loss) and its components in a full set of general-purpose financial statements. This statement requires that all items that are required to be recognized as components of comprehensive income (loss) be reported in a financial statement with the same prominence as other financial statements. The Company had no amounts reclassified out of accumulated other comprehensive income for the years ended December 31, 2018, 2017, and 2016. The foreign currency translation adjustments impact comprehensive income (loss). Accumulated other comprehensive income (loss), net consists of the following components, net of tax (in thousands):

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	Year Ended December 31,		
	2018	2017	2016
<b>Foreign currency translation:</b>			
Balance at beginning of year	\$ (27,330)	\$ (32,276)	\$ (20,468)
Translation adjustments	(3,906)	4,946	(11,808)
Balance at end of year	<u>\$ (31,236)</u>	<u>\$ (27,330)</u>	<u>\$ (32,276)</u>

## 12. DISPOSITION RELATED AND OTHER COSTS

In May 2017, the Company announced plans to divest a number of its online professional communities to achieve greater focus and resource allocation toward its core tech-focused business. The planned divestitures included: BioSpace (transferred majority ownership to BioSpace management on January 31, 2018), Hcareers (sold May 22, 2018), Health eCareers (sold December 4, 2017), and Rigzone (sold the RigLogix portion of the Rigzone business on February 22, 2018 and transferred majority ownership of the remaining Rigzone business to Rigzone management on August 31, 2018). In connection with the planned divestitures and reorganization to the tech-focused strategy, the Company incurred certain costs, including severance and retention, lease exit, business closure, professional fees related to activist shareholders, search, financial advisory, and legal services, and other costs to further these strategic objectives.

The following table displays a roll forward of the disposition related and other costs and related liability balances (in thousands):

	Accrual at December 31, 2017	Expense	Cash Payments	Non-cash Impairment	Accrual at December 31, 2018
Severance and retention	\$ 1,237	\$ 3,191	\$ (3,339)	\$ —	\$ 1,089
Professional fees and other costs	825	2,914	(2,468)	—	1,271
Lease exit and related asset impairment costs	—	1,514	(399)	(168)	947
Total disposition related and other costs	<u>\$ 2,062</u>	<u>\$ 7,619</u>	<u>\$ (6,206)</u>	<u>\$ (168)</u>	<u>\$ 3,307</u>

	Accrual at December 31, 2016	Expense	Cash Payments	Accrual at December 31, 2017
Severance and retention	\$ —	\$ 3,112	\$ (1,875)	\$ 1,237
Professional fees	—	1,634	(809)	825
Total disposition related and other costs	<u>\$ —</u>	<u>\$ 4,746</u>	<u>\$ (2,684)</u>	<u>\$ 2,062</u>

In January 2016, the Company completed the sale of Slashdot Media and incurred severance costs and additional stock based compensation expense for the acceleration of stock vesting. The Company recognized a loss on the sale of assets of Slashdot Media.

The following table displays the disposition related and other costs incurred during the year ended December 31, 2016 (in thousands):

Severance — Slashdot Media	\$ 981
Accelerated stock based compensation expense — Slashdot Media	900
Loss on sale of Slashdot Media	639
Severance related to other brands	827
Total	<u>\$ 3,347</u>

## 13. STOCK BASED COMPENSATION

Under the 2012 Omnibus Equity Award Plan, the Company has granted stock options, restricted stock and Performance-Based Restricted Stock Units (“PSUs”) to certain employees and directors. On January 1, 2017, as a result of ASU No. 2016-09 as discussed in Note 2, the Company began recording expense based upon the number of awards outstanding with no estimate for

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forfeitures. Previously, the Company estimated forfeitures that it expected would occur and recorded expense based upon the number of awards expected to vest.

The Company recorded stock based compensation expense of \$ 6.6 million and \$ 8.6 million in the years ended December 31, 2018 and 2017, respectively. During the year ended December 31, 2016, the Company recorded \$ 11.1 million, which included \$0.9 million of accelerated compensation due to the sale of Slashdot Media as shown in Note 12. At December 31, 2018, there was \$8.8 million of unrecognized compensation expense related to unvested awards, which is expected to be recognized over a weighted-average period of approximately 1.5 years.

In connection with the employment agreement for the Company's new Chief Executive Officer, the Company granted, as Inducement Grants Under NYSE Rule 303A.08, 1,750,000 restricted stock units during the second quarter of 2018 and 750,000 performance based restricted stock units during the fourth quarter of 2018 to the Company's new Chief Executive Officer.

**Restricted Stock**— Restricted stock is granted to employees of the Company and its subsidiaries, and to non-employee members of the Company's Board. These shares are part of the compensation plan for services provided by the employees or Board members. The closing price of the Company's stock on the date of grant is used to determine the fair value of the grants. The expense related to the restricted stock grants is recorded over the vesting period as described below. There was no cash flow impact resulting from the grants.

The restricted stock vests in various increments either quarterly or on the anniversaries of each grant, subject to the recipient's continued employment or service through each applicable vesting date. Vesting occurs over one year for Board members and over two to four years for employees.

A summary of the status of restricted stock awards as of December 31, 2018, 2017, and 2016 and the changes during the periods then ended is presented below:

	Year Ended December 31,					
	2018		2017		2016	
	Shares	Weighted-Average Fair Value at Grant Date	Shares	Weighted-Average Fair Value at Grant Date	Shares	Weighted-Average Fair Value at Grant Date
Non-vested at beginning of the period	2,393,257	\$ 5.48	2,226,375	\$ 7.87	2,122,225	\$ 8.54
Granted	4,087,342	\$ 1.68	1,724,500	\$ 4.05	1,302,375	\$ 7.33
Forfeited	(439,750)	\$ 4.20	(655,000)	\$ 6.54	(327,750)	\$ 8.17
Vested	(1,521,917)	\$ 5.03	(902,618)	\$ 7.89	(870,475)	\$ 8.58
Non-vested at end of period	<u>4,518,932</u>	<u>\$ 2.32</u>	<u>2,393,257</u>	<u>\$ 5.48</u>	<u>2,226,375</u>	<u>\$ 7.87</u>

**PSUs**— PSUs are granted to employees of the Company and its subsidiaries. These shares are granted under two compensation agreements that are for services provided by the employees. Under the first agreement, with grants during the years ended December 31, 2016 and 2017, the fair value of PSUs are measured using the Monte Carlo pricing model. The expense related to these PSUs are recorded over the vesting period. These shares will vest on the dates the Compensation Committee certifies the Company's achievement of stock price performance relative to the Russell 2000 Index, provided that the recipient remains employed through such date. Performance will be measured over three separate measurement periods: a one-year measurement period, a two-year measurement period and a three-year measurement period. For performance periods one and two, vesting is not to exceed the total grant divided by three. For performance period three, vesting is no less than zero and no greater than 150% of the initial grant less shares vested in performance periods one and two. As of December 31, 2018, there were 505,000 unvested shares related to this agreement.

Under the second agreement, the fair value of the PSUs are measured at the grant date fair value of the award, which was determined based on an analysis of the probable performance outcomes. The performance period is based on the achievement of bookings targets during the year ended December 31, 2019, as defined in the agreement. The earned shares will vest one-third on each of the first, second, and third anniversaries of the grant date, or if later, the date the Compensation Committee certifies the performance results with respect to the performance period. There was no cash flow impact resulting from the grants.

The fair value of PSUs measured using the Monte Carlo pricing model utilized the following assumptions:

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	Year Ended December 31,	
	2017	2016
Weighted average fair value of PSUs granted	\$ 5.38	\$ 7.24
Dividend yield of DHI Group, Inc. stock	—%	—%
Dividend yield of Russell 2000 Index	1.4%	1.7%
Risk free interest rate	1.5%	0.9%
Volatility of DHI Group, Inc. stock	41.0%	33.5%
Volatility of Russell 2000 Index	16.7%	16.7%

A summary of the status of PSUs as of December 31, 2018, 2017, and 2016 and the changes during the periods then ended is presented below:

	Year Ended December 31,					
	2018		2017		2016	
	Shares	Weighted- Average Fair Value at Grant Date	Shares	Weighted- Average Fair Value at Grant Date	Shares	Weighted- Average Fair Value at Grant Date
Non-vested at beginning of the period	760,003	\$ 6.92	580,004	\$ 8.02	415,000	\$ 9.25
Granted	750,000	\$ 1.58	397,500	\$ 5.38	417,500	\$ 7.24
Forfeited	(255,003)	\$ 8.27	(217,501)	\$ 7.04	(98,751)	\$ 8.17
Vested	—	\$ —	—	\$ —	(153,745)	\$ 9.13
Non-vested at end of period	1,255,000	\$ 3.45	760,003	\$ 6.92	580,004	\$ 8.02

**Stock Options**— The fair value of each option grant is estimated using the Black-Scholes option-pricing model using the weighted-average assumptions in the table below. This valuation model requires the Company to make assumptions and judgments about the variables used in the calculation, including the fair value of the Company's common stock, the expected life (the period of time that the options granted are expected to be outstanding), the volatility of the Company's common stock, a risk-free interest rate and expected dividends. The expected life of options granted is derived from historical exercise behavior. The risk-free rate for periods within the expected life of the option is based on the U.S. Treasury rates in effect at the time of grant. The stock options vest 25% after one year, beginning on the first anniversary date of the grant, and 6.25% each quarter following the first anniversary. There was no cash flow impact resulting from the grants. No stock options were granted during the years ended December 31, 2018, 2017, and 2016.

A summary of the status of options previously granted as of December 31, 2018, 2017, and 2016, and the changes during the periods then ended is presented below:

	Year Ended December 31, 2018		
	Options	Weighted-Average Exercise Price	Aggregate Intrinsic Value
Options outstanding at January 1	1,101,875	\$ 9.28	\$ —
Exercised	—	\$ —	\$ —
Forfeited	(774,875)	\$ 9.67	\$ —
Options outstanding at December 31	327,000	\$ 8.35	\$ —
Exercisable at December 31	327,000	\$ 8.35	\$ —

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	Year Ended December 31, 2017		
	Options	Weighted-Average Exercise Price	Aggregate Intrinsic Value
Options outstanding at January 1	1,779,613	\$ 8.46	\$ 50,869
Exercised	(66,188)	\$ 6.08	\$ 12,821
Forfeited	(611,550)	\$ 7.25	—
Options outstanding at December 31	<u>1,101,875</u>	\$ 9.28	\$ —
Exercisable at December 31	<u>1,076,155</u>	\$ 9.32	\$ —
Options expected to Vest at December 31	25,720	\$ 7.43	

	Year Ended December 31, 2016		
	Options	Weighted-Average Exercise Price	Aggregate Intrinsic Value
Options outstanding at January 1	2,673,512	\$ 7.46	\$ 5,485,248
Exercised	(641,710)	\$ 4.37	\$ 2,209,260
Forfeited	(252,189)	\$ 8.20	—
Options outstanding at December 31	<u>1,779,613</u>	\$ 8.46	\$ 50,869
Exercisable at December 31	<u>1,552,642</u>	\$ 8.52	\$ 50,869

In connection with the Company's sale of Slashdot Media, the Company accelerated the vesting of 130,375 shares of restricted stock and 24,001 stock options to certain former employees during the year ended December 31, 2016, the expense of which is recorded in Disposition Related and Other Costs in the Consolidated Statements of Operations.

The weighted-average remaining contractual term of options exercisable at December 31, 2018 is 1.5 years. The following table summarizes information about options outstanding as of December 31, 2018 :

Exercise Price	Options Outstanding		Options Exercisable
	Number Outstanding	Weighted- Average Remaining Contractual Life  (in years)	Number Exercisable
\$ 7.00 - \$ 7.99	155,000	2.1	155,000
\$ 8.00 - \$ 8.99	92,000	0.8	92,000
\$ 9.00 - \$ 9.99	80,000	1.1	80,000
	<u>327,000</u>		<u>327,000</u>

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**14. INCOME TAXES**

Deferred tax assets (liabilities) included in the balance sheet as of December 31, 2018 and 2017 are as follows (in thousands):

	2018	2017
Deferred tax assets:		
Net operating loss carryforward	\$ 71	\$ 168
Capital loss carryforward	5,263	—
Allowance for doubtful accounts	145	272
Provision for accrued expenses and other, net	1,621	1,300
Stock based compensation	2,603	3,770
Deferred revenue	537	920
Tax credit carryforward	272	—
	<u>10,512</u>	<u>6,430</u>
Less valuation allowance	5,305	224
Deferred tax asset, net of valuation allowance	<u>5,207</u>	<u>6,206</u>
Deferred tax liabilities:		
Acquired intangibles	(10,374)	(10,933)
Depreciation of fixed assets	(3,291)	(3,049)
Capitalized contract costs	(1,850)	—
Deferred tax liabilities	<u>(15,515)</u>	<u>(13,982)</u>
Net deferred tax liability	<u>\$ (10,308)</u>	<u>\$ (7,776)</u>
Recognized in Consolidated Balance Sheets:		
Deferred tax asset	136	469
Deferred tax liability	(10,444)	(8,245)
Net deferred tax liability	<u>\$ (10,308)</u>	<u>\$ (7,776)</u>

The Company had deferred tax assets of \$0.1 million and \$0.2 million, respectively, at December 31, 2018 and 2017 related to net operating loss carryforwards; \$5.3 million at December 31, 2018 related to capital loss carryforwards; and \$0.3 million at December 31, 2018 related to tax credit carryforwards. The Company had no capital loss or tax credit carryforwards at December 31, 2017. The net operating losses expire in various years through 2037 and the capital losses expire in 2023. The tax credit carryforward period is indefinite. The Company has recorded valuation allowances of \$5.3 million and \$0.2 million, respectively, at December 31, 2018 and 2017 in order to measure only the portion of the deferred tax assets which are more likely than not to be realized.

Tax expense (benefit) for the years ended December 31, 2018, 2017 and 2016 is as follows (in thousands):

	2018	2017	2016
Current income tax expense (benefit):			
Federal	\$ (1,299)	\$ 1,984	\$ 5,048
State	(119)	(285)	931
Foreign	1,570	1,504	2,259
Current income tax expense	<u>152</u>	<u>3,203</u>	<u>8,238</u>
Deferred income tax expense (benefit):			
Federal	1,387	(207)	(891)
State	104	329	192
Foreign	785	94	(2,260)
Deferred income tax expense (benefit)	<u>2,276</u>	<u>216</u>	<u>(2,959)</u>
Income tax expense	<u>\$ 2,428</u>	<u>\$ 3,419</u>	<u>\$ 5,279</u>



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A reconciliation between the tax expense at the federal statutory rate and the reported income tax expense is summarized as follows:

	Year Ended December 31,		
	2018	2017	2016
Federal statutory rate	\$ 2,016	\$ 6,789	\$ (42)
Gain (loss) on sale of businesses	(6,111)	(1,571)	—
Stock-based compensation	2,112	1,414	—
Nondeductible impairment	—	—	5,287
State taxes, net of federal effect	(38)	35	756
Difference between foreign and U.S. rates	(102)	(1,054)	297
Change in accrual for unrecognized tax benefits	(1,179)	1,003	(923)
U.S. tax on global intangible low-taxed income, net of credits	229	—	—
Executive compensation	126	—	—
Currency translation gains	219	—	—
Gross tax on foreign dividend	—	275	5,084
Foreign tax credits	—	(275)	(4,244)
U.S. transition tax on foreign earnings	368	2,962	—
Federal rate change impact on deferred tax liabilities	—	(3,281)	—
Research and development tax credits	(481)	(1,764)	(173)
Change in valuation allowances	5,117	(780)	(713)
Other	152	(334)	(50)
Income tax expense	\$ 2,428	\$ 3,419	\$ 5,279
Effective tax rate	25.3%	17.6%	(4,436.1)%

H.R.1, commonly known as the Tax Cuts and Jobs Act (“TCJA”), was signed into law in December 2017 and made significant changes to the Internal Revenue Code. Changes included a reduction in the U.S. statutory federal tax rate from 35% to 21%; the transition of U.S. international taxation from a worldwide tax system to a territorial system; a one-time transition tax on the deemed repatriation of undistributed earnings from foreign subsidiaries; and a tax on global intangible low-taxed income earned by foreign subsidiaries.

Subsequent to enactment of the TCJA in December 2017, the Securities and Exchange Commission staff issued Staff Accounting Bulletin No. 118 (“SAB 118”) to provide guidance regarding accounting for the TCJA’s impact. SAB 118 required companies to recognize those tax items for which accounting had been completed. For items whose accounting had not been completed, companies were required to recognize provisional amounts to the extent they were reasonably estimable, with subsequent adjustments over a measurement period as more information was available and calculations were finalized. The measurement period provided in SAB 118 concluded as of December 2018.

As of December 31, 2017, the Company applied the guidance of SAB 118 and recorded a provisional decrease of \$3.3 million in its deferred tax liabilities to reflect the new U.S. statutory rate of 21%; and recorded a liability of \$3.0 million less tax credits of \$1.4 million for a \$1.6 million provisional estimate of the transition tax on the deemed repatriation of foreign earnings.

In the year ended December 31, 2018, the Company completed its analysis of the impact of the TCJA on its deferred tax liabilities and its transition tax liability. No change was made to the provisional adjustment of the deferred tax liabilities. For the transition tax, the Company recognized a measurement-period adjustment on the basis of revised foreign earnings computations and additional guidance issued by U.S. federal and state tax authorities. The adjustment increased the transition tax liability to \$2.0 million, resulting in tax expense of \$0.4 million.

The Company had asserted as of December 31, 2016 that with the exception of its Canada subsidiary, all unremitted earnings of foreign subsidiaries were indefinitely reinvested outside the U.S. As of December 31, 2017, the Company indicated that it was evaluating the impact of the TCJA on the Company's existing accounting position with regard to indefinite reinvestment, including an analysis of the potential U.S. and foreign tax liabilities that could result from future repatriations. The Company completed this

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evaluation in the year ended December 31, 2018 and made no change to its indefinite reinvestment position. The Company also sold its Canada subsidiary during 2018. As of December 31, 2018, undistributed earnings of all foreign subsidiaries will continue to be indefinitely reinvested outside the U.S., and taxes that would result from distributions have not been provided as determination of the deferred tax liability is not practicable.

The TCJA established new rules designed to tax U.S. companies on global intangible low-taxed income ("GILTI") earned by foreign subsidiaries. Companies can make an accounting policy election either to recognize deferred taxes for temporary basis differences related to GILTI; or to recognize tax expense as current period cost in the period when the tax related to GILTI is incurred. As of December 31, 2017, the Company indicated that it was evaluating its policy election alternatives and the impact of GILTI on tax expense. The Company completed this evaluation in the year ended December 31, 2018 and elected to treat tax expense related to GILTI as a current period cost. The Company determined its GILTI liability for 2018 to be \$0.4 million less tax credits of \$0.2 million, resulting in tax expense of \$0.2 million.

The Company recorded impairment charges of zero, \$2.2 million, and \$24.6 million for the years ended December 31, 2018, 2017, and 2016, respectively. Of the total impairment, the amount relating to non-deductible goodwill in 2016 was \$15.4 million, which caused tax expense to exceed the expected expense at statutory tax rates by \$5.3 million. The amount of non-deductible goodwill was zero in 2018 and 2017.

Prior to December 2016, the Company had asserted under ASC 740-30 that all unremitted earnings of its foreign subsidiaries were indefinitely invested. The Company evaluates this assertion based on a number of factors, including the operating plans, budgets, and forecasts for both the Company and its foreign subsidiaries; the long-term and short-term financial requirements in the U.S. and in each foreign jurisdiction; and the tax consequences of any decision to repatriate earnings of foreign subsidiaries to the U.S. In the fourth quarter of 2016, the Company evaluated a tax planning strategy related to the utilization of foreign tax credits on its U.S. federal tax return. Absent the strategy, the Company believed that it would not realize any of the credits during the allowable carryforward period under U.S. law. The Company concluded in December 2016 that it would implement the strategy, thus impacting the tax consequences of repatriation by enabling greater utilization of foreign tax credits. As a result, the Company changed its assertion regarding the indefinite reinvestment of its Canada subsidiary's foreign earnings, but did not change its assertion with regard to the undistributed earnings of all other foreign subsidiaries. The Company recorded a tax liability of \$0.8 million at December 31, 2016 reflecting the repatriation of \$16.4 million from Canada to the U.S. All cumulative earnings of the Canada subsidiary through December 31, 2016 were distributed, so no additional accrual for deferred taxes related to earnings of the Canada subsidiary was required. The Company also recorded a tax benefit of \$0.7 million in the year ended December 31, 2016 to record the partial release of a valuation allowance related to its foreign tax credit carryforwards.

An uncertain tax position represents the Company's expected treatment of a tax position taken in a filed tax return, or planned to be taken in a tax return not yet filed, that has not been reflected in measuring income tax expense for financial reporting purposes. At December 31, 2018 and 2017, the Company has recorded a liability of \$1.7 million and \$2.9 million, respectively, which consists of unrecognized tax benefits of \$1.4 million and \$2.5 million, respectively, and estimated accrued interest and penalties of \$0.3 million and \$0.4 million, respectively. The Company recognizes interest and penalties related to uncertain tax positions in income tax expense. During the years ended December 31, 2018, 2017 and 2016, interest expense (income) and penalties recorded in the Consolidated Statements of Operations were \$(61,000), \$(41,000) and \$(86,000), respectively. Following is a reconciliation of the amounts of unrecognized tax benefits, net of tax and excluding interest and penalties, for the years ended December 31, 2018, 2017 and 2016 (in thousands):

	2018	2017	2016
Unrecognized tax benefits—beginning of period	\$ 2,539	\$ 2,153	\$ 2,989
Increases in tax positions related to current year	330	278	117
Increases in tax positions related to prior year	—	646	—
Decreases in tax positions related to prior year	(9)	—	(43)
Settlements with taxing authorities	(838)	—	—
Lapse of statute of limitations	(600)	(538)	(910)
Unrecognized tax benefits—end of period	<u>\$ 1,422</u>	<u>\$ 2,539</u>	<u>\$ 2,153</u>

The foregoing table indicates unrecognized tax benefits, net of tax and excluding interest and penalties. The balance of gross unrecognized benefits was \$1.5 million, \$2.7 million, and \$2.9 million at December 31, 2018, 2017 and 2016, respectively. If the unrecognized tax benefits at December 31, 2018, 2017 and 2016 were recognized in full, tax benefits of \$1.7 million, \$2.9 million and \$2.5 million, respectively, would affect the effective tax rate.

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The Company files income tax returns in the U.S. and various foreign jurisdictions. The Company is generally no longer subject to examinations by U.S. federal tax authorities for tax years prior to 2015, or by U.S. state and foreign authorities for tax years prior to 2014. The Company believes it is reasonably possible that as much as \$0.2 million of its unrecognized tax benefits may be recognized by the end of 2019 as a result of a lapse of the statute of limitations.

**15. EMPLOYEE SAVINGS PLAN**

The Company has a savings plan (the "Savings Plan") that qualifies as a deferred salary arrangement under Section 401(k) of the Internal Revenue Code. Under the Savings Plan, participating employees may defer a portion of their pretax earnings, up to the Internal Revenue Service annual contribution limit. The Company contributed \$1.3 million, \$1.7 million, and \$1.7 million for the years ended December 31, 2018, 2017 and 2016, respectively, to match employee contributions to the Savings Plan.

**16. SEGMENT INFORMATION**

The Company previously had two reportable segments which was reduced to one reportable segment when Health eCareers (Healthcare reportable segment) was sold on December 4, 2017. The remaining Tech-focused reportable segment includes the Dice, Dice Europe (ceased operations on August 31, 2018), ClearanceJobs, eFinancialCareers (formerly in the Global Industry Group segment), and Brightmatter (absorbed into Tech-focused in the third quarter of 2017 and formerly in Corporate & Other) services. Management has organized its reportable segment based upon our internal management reporting.

The Company has other services and activities that individually are not significant in relation to consolidated revenues, operating income or total assets. These include Slashdot Media (business sold in the first quarter of 2016), Hcareers (sold May 22, 2018), Rigzone (sold the RigLogix portion of the Rigzone business on February 20, 2018 and transferred majority ownership of the remaining Rigzone business to Rigzone management on August 31, 2018), BioSpace (transferred majority ownership to BioSpace management on January 31, 2018) (each formerly in the Global Industry Group segment), and getTalent (discontinued in the third quarter of 2017) services, which are recorded in the "Corporate & Other" category, along with corporate-related costs which are not considered in a segment.

The Company's foreign operations are comprised of the Dice Europe operation (ceased operations on August 31, 2018) and a portion of the eFinancialCareers and Rigzone services (sold the RigLogix portion of the Rigzone business on February 20, 2018 and transferred majority ownership of the remaining Rigzone business to Rigzone management on August 31, 2018), which operate in Europe, the financial centers of the gulf region of the Middle East and Asia Pacific. The Company's foreign operations also include Hcareers (sold on May 22, 2018), which operated in Canada. Revenue by geographic region, as shown in the table below, is based on the location of each of the Company's subsidiaries.

**DHI GROUP, INC.**  
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The following table shows the segment information (in thousands):

	2018	2017	2016
<b>By Segment:</b>			
Revenues:			
Tech-focused	\$ 152,258	\$ 158,398	\$ 170,599
Healthcare	—	24,354	27,066
Corporate & Other	9,312	25,198	29,305
Total revenues	<u>\$ 161,570</u>	<u>\$ 207,950</u>	<u>\$ 226,970</u>
Depreciation:			
Tech-focused	\$ 8,942	\$ 6,868	\$ 7,060
Healthcare	—	1,625	2,089
Corporate & Other	338	1,259	700
Total depreciation	<u>\$ 9,280</u>	<u>\$ 9,752</u>	<u>\$ 9,849</u>
Amortization:			
Tech-focused	\$ —	\$ 132	\$ 1,923
Healthcare	—	596	835
Corporate & Other	482	1,410	4,029
Total amortization	<u>\$ 482</u>	<u>\$ 2,138</u>	<u>\$ 6,787</u>
Operating income (loss):			
Tech-focused	\$ 26,851	\$ 38,462	\$ 54,066
Healthcare	—	(1,507)	(929)
Corporate & Other	(15,159)	(14,090)	(49,746)
Operating income	11,692	22,865	3,391
Interest expense	(2,054)	(3,445)	(3,481)
Other expense	(36)	(23)	(29)
Income (loss) before income taxes	<u>\$ 9,602</u>	<u>\$ 19,397</u>	<u>\$ (119)</u>
Capital expenditures:			
Tech-focused	\$ 10,060	\$ 10,481	\$ 7,545
Healthcare	—	1,160	1,113
Corporate & Other	221	1,914	2,756
Total capital expenditures	<u>\$ 10,281</u>	<u>\$ 13,555</u>	<u>\$ 11,414</u>

	2018	2017	2016
<b>By Geography:</b>			
Revenues:			
United States	\$ 121,097	\$ 154,406	\$ 167,855
United Kingdom	15,665	22,247	23,969
EMEA, APAC and Canada (1)	24,808	31,297	35,146
Non-United States	40,473	53,544	59,115
Total revenues	<u>\$ 161,570</u>	<u>\$ 207,950</u>	<u>\$ 226,970</u>

(1) Europe (excluding United Kingdom), the Middle East and Africa (“EMEA”) and Asia-Pacific (“APAC”)

**DHI GROUP, INC.**  
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	December 31, 2018	December 31, 2017	December 31, 2016
<b>Total assets:</b>			
Tech-focused	\$ 251,860	\$ 266,390	\$ 263,462
Healthcare	—	—	14,375
Corporate & Other	6,525	29,328	32,258
<b>Total assets</b>	<b>\$ 258,385</b>	<b>\$ 295,718</b>	<b>\$ 310,095</b>

The following table shows the carrying amount of goodwill by segment as of December 31, 2017 and 2018 and the changes in goodwill for the years ended (in thousands):

	Tech-focused	Healthcare	Corporate & Other	Total
<b>Goodwill at January 1, 2017</b>	\$ 152,162	\$ 6,269	\$ 13,314	\$ 171,745
Foreign currency translation adjustment	5,315	—	—	5,315
Sale of business	—	(6,269)	—	(6,269)
<b>Goodwill at December 31, 2017</b>	<b>\$ 157,477</b>	<b>\$ —</b>	<b>\$ 13,314</b>	<b>\$ 170,791</b>
Foreign currency translation adjustment	(3,503)	—	—	(3,503)
Sale of business	—	—	(13,314)	(13,314)
<b>Goodwill at December 31, 2018</b>	<b>\$ 153,974</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 153,974</b>
<b>Goodwill at December 31, 2018</b>				
Goodwill	\$ 153,974	\$ —	\$ —	\$ 153,974
Accumulated impairment losses	—	—	—	—
	<b>\$ 153,974</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 153,974</b>

The annual impairment tests for the Tech-focused reporting unit, which were performed as of October 1, 2018 and 2017, resulted in the fair value of the reporting unit exceeding the carrying value by 40% and 1%, respectively. The increased fair value as compared to the carrying value is primarily driven by improved operating results and projections and a reduction in the estimated tax rate from 36% at October 1, 2017 to 26% and October 1, 2018. Results for the Tech-focused reporting unit for the fourth quarter of 2018 and estimated future results as of December 31, 2018 are consistent with the October 1, 2018 analysis. As a result, the Company believes it is not more likely than not that the fair value of the reporting units is less than the carrying value as of December 31, 2018. Therefore, no interim impairment testing was performed as of December 31, 2018.

The amount of goodwill as of December 31, 2018 allocated to the Tech-focused reporting unit was \$154.0 million. Determining the fair value of a reporting unit is judgmental in nature and requires the use of estimates and key assumptions, particularly assumed discount rates and projections of future operating results. The discount rate applied for the Tech-focused reporting unit was 14.3%. An increase to the discount rate applied or reductions to future projected operating results could result in future impairment of the Tech-focused reporting unit's goodwill. It is reasonably possible that changes in judgments, assumptions and estimates the Company made in assessing the fair value of goodwill could cause the Company to consider some portion or all of the goodwill of the Tech-focused reporting unit to become impaired. In addition, a future decline in the overall market conditions and/or changes in the Company's market share could negatively impact the estimated future cash flows and discount rates used to determine the fair value of the reporting unit and could result in an impairment charge in the foreseeable future.

The Tech-focused reporting unit has gone through a period of revenue declines, resulting from competition in the U.S. as well as market slowness in the U.K. due to Brexit. These disruptions and uncertainties could decrease demand for finance and technology professionals in the markets we serve. This decline in demand and any future declines in demand could significantly decrease the use of our finance and technology industry job posting websites and related services, which may adversely affect the Tech-focused reporting unit's financial condition and results of operations. If recruitment activity is slow in the industries in which we operate during 2019 and beyond, our revenues and results of operations may be negatively impacted. As a result of these factors, in the fourth quarter, the Company further evaluated the fair value of the Tech-focused reporting unit and believes it is not more likely than not that the fair value is less than the carrying value. If events and circumstances change resulting in significant

**DHI GROUP, INC.**  
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reductions in actual operating income or projections of future operating income, the Company will test this reporting unit for impairment prior to the annual impairment test.

The decline in oil prices in 2014 and 2015 and the continued volatility in 2016 decreased demand for energy professionals worldwide. This decline in demand for energy professionals significantly decreased the use of the Company's energy industry products and services, adversely affecting the Energy reporting unit's financial condition and results of operations. As a result of these factors, the Company evaluated the fair value of this reporting unit and recorded a goodwill impairment of \$15.4 million during the quarter ended September 30, 2016 at the Corporate & Other segment, bringing goodwill for the Energy reporting unit to zero. See Note 5 for further discussion.

**17. EARNINGS PER SHARE**

Basic earnings per share ("EPS") is computed based on the weighted-average number of shares of common stock outstanding. Diluted EPS is computed based on the weighted-average number of shares of common stock outstanding plus common stock equivalents assuming exercise of stock options, where dilutive. In 2016 shares issuable from stock-based awards of \$ 0.8 million were excluded from the computation of shares contingently issuable upon exercise as we recognized a net loss. The following is a calculation of basic and diluted earnings per share and weighted-average shares outstanding (in thousands, except per share amounts):

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Income (loss) from continuing operations—basic and diluted	\$ 7,174	\$ 15,978	\$ (5,398)
Weighted-average shares outstanding—basic	48,520	47,908	48,319
Add shares issuable from stock-based awards	1,085	322	—
Weighted-average shares outstanding—diluted	49,605	48,230	48,319
Basic earnings (loss) per share	\$ 0.15	\$ 0.33	\$ (0.11)
Diluted earnings (loss) per share	\$ 0.14	\$ 0.33	\$ (0.11)

**DHI GROUP, INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**18. QUARTERLY RESULTS OF OPERATIONS (UNAUDITED)**

The following is a summary of unaudited quarterly results of operations for 2018 and 2017:

	For the Three Months Ended			
	March 31 [1]	June 30 [2]	September 30 [3]	December 31
(in thousands, except per share amounts)				
<b>2018</b>				
Revenues	\$ 43,071	\$ 41,595	\$ 38,917	\$ 37,987
Total operating expenses	40,861	39,686	37,085	35,615
Other operating income (loss)	4,639	(839)	(365)	(66)
Operating income	<u>\$ 6,849</u>	<u>\$ 1,070</u>	<u>\$ 1,467</u>	<u>\$ 2,306</u>
Net income (loss)	<u>\$ 3,503</u>	<u>\$ (205)</u>	<u>\$ 930</u>	<u>\$ 2,946</u>
Basic earnings per common share	<u>\$ 0.07</u>	<u>\$ —</u>	<u>\$ 0.02</u>	<u>\$ 0.06</u> [4]
Diluted earnings per common share	<u>\$ 0.07</u>	<u>\$ —</u>	<u>\$ 0.02</u>	<u>\$ 0.06</u> [4]
<b>2017</b>				
Revenues	\$ 52,190	\$ 52,400	\$ 52,424	\$ 50,936
Total operating expenses	47,895	48,398	49,886	48,898
Other Operating Income	\$ —	\$ —	\$ —	\$ 9,992 [5]
Operating income (loss)	<u>\$ 4,295</u>	<u>\$ 4,002</u>	<u>\$ 2,538</u>	<u>\$ 12,030</u>
Net income (loss)	<u>\$ 1,340</u>	<u>\$ 1,822</u>	<u>\$ 1,058</u>	<u>\$ 11,758</u>
Basic earnings (loss) per common share	<u>\$ 0.03</u>	<u>\$ 0.04</u>	<u>\$ 0.02</u>	<u>\$ 0.24</u> [4]
Diluted earnings (loss) per common share	<u>\$ 0.03</u>	<u>\$ 0.04</u>	<u>\$ 0.02</u>	<u>\$ 0.24</u> [4]

[1] Majority ownership of the BioSpace business was transferred to BioSpace management on January 31, 2018 and the RigLogix portion of the Rigzone business was sold on February 20, 2018.

[2] The Hcareers business was sold on May 22, 2018.

[3] Majority ownership of the remaining Rigzone business was transferred to Rigzone management and Dice Europe ceased operations on August 31, 2018.

[4] The sum of the quarter may not equal the full year amount.

[5] Includes gain on sale of Health eCareers of \$6.7 million and proceeds from restitution award of \$3.3 million related to the OilPro legal matter.

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

None.

**Item 9A. Controls and Procedures**
*Evaluation of Disclosure Controls and Procedures*

Our management, with the participation of our Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), has evaluated the effectiveness of the Company’s disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the fiscal period covered by this report.

Based on such evaluations, the CEO and CFO have concluded that the disclosure controls and procedures are effective to provide reasonable assurance that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized and reported within the time periods specified by the SEC, and that such information is accumulated and communicated to management, including the CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

*Management's Report on Internal Control Over Financial Reporting*

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act).

Management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that the Company's internal control over financial reporting was effective as of December 31, 2018 .

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

Deloitte & Touche LLP has audited the Company's internal control over financial reporting as of December 31, 2018 and has issued a report regarding its assessment included herein.

*Changes in Internal Controls*

No change in our internal control over financial reporting (as defined in Rules 13a-15(f) under the Exchange Act) occurred during the quarter ended December 31, 2018 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.



## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of DHI Group, Inc.

### Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of DHI Group, Inc. and subsidiaries (the “Company”) as of December 31, 2018, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2018, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2018, of the Company and our report dated February 7, 2019, expressed an unqualified opinion on those financial statements and included an explanatory paragraph regarding the Company’s adoption of a new accounting standard.

### Basis for Opinion

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

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

### Definition and Limitations of Internal Control over Financial Reporting

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

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

/s/ Deloitte & Touche LLP

Des Moines, Iowa  
February 7, 2019

**Item 9B. Other Information**

None.

### PART III

#### Item 10. Directors, Executive Officers and Corporate Governance

The information called for by Item 10 will be set forth in our definitive proxy statement relating to our 2019 Annual Meeting of Stockholders (the "Proxy Statement") to be filed within 120 days of the Company's fiscal year end of December 31, 2018 and is incorporated herein by reference.

As previously announced, Art Zeile became the Company's President, Chief Executive Officer in April 2018. Prior to Mr. Zeile's joining the Company, Michael Durney served as the Company's President and Chief Executive Officer until March 31, 2018.

#### Executive Officers of the Company

Set forth below is information relating to the Company's executive officers as of February 7, 2019.

<u>Name</u>	<u>Age</u>	<u>Position</u>
Art Zeile	55	President and Chief Executive Officer
Luc Grégoire	59	Chief Financial Officer
Klavs Miller	49	Chief Technology Officer
Christian Dwyer	51	Chief Product Officer
Michelle Marian	53	Chief Marketing Officer
Ian Shepherd	53	Chief Revenue Officer
Pam Bilash	60	Senior Vice President, Human Resources
Brian P. Campbell	54	Senior Vice President, Corporate Development and General Counsel

*Art Zeile* has been President and Chief Executive Officer, as well as a director of the Company since April 2018. Prior to joining DHI, Art co-founded HOSTING, a cloud computing services company and served as its Chief Executive Officer from 2008 until 2016. At HOSTING, Art formulated a strategy for a rollup of cloud services companies in the U.S. and focused on managing security and compliance for mission critical web applications. Earlier in his career, Art served as CEO of QTC Management Inc, a healthcare technology company, from 2006 to 2007. Prior to joining QTC Management, Art co-founded Inflow Inc., a public data center company, and Link-VTC, one of the first companies to deliver videoconferencing services. Art earned a bachelor's degree in Astronautical Engineering from the U.S. Air Force Academy and served in the United States Air Force from 1988 until 1993. Art also received a master's degree in public policy from Harvard University.

*Luc Grégoire* has been Chief Financial Officer since joining the Company in November 2016. He has responsibility for the Company's financial organization, including financial and strategic planning, corporate development, accounting, financial reporting, investor relations, treasury, internal audit and tax, as well as the Company's legal organization. Prior to joining the Company, Mr. Grégoire served as the Chief Financial Officer at AvePoint, Inc. from 2014 to 2016 which he helped steer to a SaaS business model. Earlier in his career, he held senior finance roles with Take-Two Interactive from 2008-2014, McGraw Hill from 2007 to 2008, Standard Motor Products from 2005-2007 and Merck from 1992-2005, and had been a partner with Arthur Andersen. He also serves on the board of a private New York-based residential real estate company. He graduated from Concordia University with a Bachelor of Commerce degree and holds a Graduate Diploma in Public Accountancy from McGill University. Mr. Grégoire is a licensed Certified Public Accountant in Canada.

*Klavs Miller* is Chief Technology Officer and previously served as Senior Vice President, Technology since January 2014, after joining the Company through its acquisition of onTargetjobs where Mr. Miller served as the Chief Information Officer since 2011. He oversees the Company's technology-related functions, including enterprise R&D, operations, support and infrastructure. Mr. Miller started his career as a software engineer in the early 1990s, followed by various technical and management positions with international ERP company, Baan. Since then, he has held a number of senior management positions with various technology and software companies, such as InfoNow, Vericept and Quark. He holds a B.S. in Electrical Engineering from Vestjysk Teknikum, Denmark.

*Christian Dwyer* is the Chief Product Officer, joining the Company in September 2018. Mr. Dwyer oversees the product strategy, development and expansion of DHI products including Dice, ClearanceJobs and eFinancialCareers. Prior to joining DHI, Mr. Dwyer served as the Executive Vice President of Product Management at HealthGrades, where he led product strategy, product development and business development across consumer web, mobile and native applications. He previously served as Senior Vice President and General Manager at AOL/MapQuest, where he successfully repositioned the business for growth by establishing partnership alliances and scaling new products across web and mobile applications. Earlier in his career he held leadership positions at Navidec and Carpoint.com. Mr. Dwyer serves as a board member for the Colorado Technology Association. He earned an M.S.

in Finance from the University of Colorado at Denver and a B.A. in Business Economics from the University of California at Santa Barbara.

*Michelle Marian* is the Chief Marketing Officer, joining the Company in October 2018. Ms. Marian leads DHI's global marketing organization with responsibility for its digital marketing strategy, demand generation and branding. Prior to joining DHI, Ms. Marian was the Head of Global Digital Marketing at Crocs, where she was responsible for driving new customer growth and a data-driven customer centric approach to eCommerce. Prior to Crocs, she served as the Vice President of Marketing at Shopathome.com, defining the marketing strategy and execution of customer acquisition and engagement initiatives at the company. Earlier in her career, Ms. Marian held executive marketing positions at Webroot, Safeway, and AOL. Ms. Marian holds a Masters of International Business Studies from the University of South Carolina and a B.S. in International Business & Marketing from the University of Colorado at Boulder.

*Ian Shepherd* is the Chief Revenue Officer. Mr. Shepherd joined DHI in September 2017 as Executive Vice President of Sales and became the Chief Revenue Officer in June 2018. Mr. Shepherd is responsible for driving the growth agenda for the Company strategy and leading direct and indirect sales across the globe. Prior to joining the Company, Mr. Shepherd served as the Senior Vice President of North American Enterprise Sales at Monster Worldwide. Mr. Shepherd has an extensive history of leading global sales operations at a number of SaaS-based and public companies. In 2013, he served as Senior Vice President of sales at Automic Software and prior to that was Group Vice President at Oracle. Mr. Shepherd holds a B.A. degree in economics from the University of Manitoba.

*Pam Bilash* has been the Senior Vice President, Human Resources since January 2014, having joined the Company through its acquisition of onTargetjobs where she led the Human Resources team as Executive Vice President since 2009. Ms. Bilash worked for Thomson Reuters in roles of increasing responsibility, culminating as Senior Vice President of Human Resources for the healthcare group. Ms. Bilash is a graduate of the University of Hartford.

*Brian P. Campbell* is the Senior Vice President, Corporate Development, General Counsel and Corporate Secretary of DHI Group, Inc. He served as Vice President, Business and Legal Affairs at DHI since June 2003, after joining our predecessor, Dice Inc. in January 2000. Mr. Campbell is responsible for managing our legal affairs, including intellectual property, mergers and acquisitions, strategic alliances, corporate securities, real estate, litigation and employment law, as well as corporate development and supervising outside counsel. Mr. Campbell also oversees our privacy initiatives. Prior to joining the Company, Mr. Campbell served as Vice President, General Counsel and Corporate Secretary at CMP Media, where he worked since 1995. From 1988 to 1995, Mr. Campbell worked as a Corporate Associate at the law firm of Mudge, Rose, Guthrie, Alexander and Ferdon. Mr. Campbell is the Immediate Past President of the New York City Chapter of the Association of Corporate Counsel, where he has served on the Board of Directors for six years and has been a member for over twenty years. He earned a J.D. from St. John's University School of Law and a B.A. from the University of Virginia.

We have adopted a code of conduct and ethics that applies to all of our directors, officers and employees, including or chief executive officer, chief financial officer and persons performing similar functions. Our code of conduct and ethics is posted on the investors section of our website at [www.dhigroupinc.com](http://www.dhigroupinc.com).

#### **Item 11. Executive Compensation**

The information called for by Item 11 pertaining to executive compensation will be set forth in the Proxy Statement and is incorporated herein by reference.

#### **Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters**

The information called for by Item 12 pertaining to security ownership of certain beneficial owners and management will be set forth in the Proxy Statement and is incorporated herein by reference.

#### **Item 13. Certain Relationships and Related Transactions, and Director Independence**

The information called for by Item 13 pertaining to certain relationships and related transactions will be set forth in the Proxy Statement and is incorporated herein by reference.

#### **Item 14. Principal Accounting Fees and Services**

The information called for by Item 14 pertaining to principal accounting fees and services will be set forth in the Proxy Statement and is incorporated herein by reference.

**PART IV**

**Item 15. Exhibits**

- (a) 1. Financial Statement Schedules  
The consolidated financial statements are listed under Item 8 of this Annual Report.
- 2. Financial Statement Schedules.  
See (b) below.
- 3. Exhibits.
  - 2.1 [Share Purchase Agreement, dated as of May 22, 2018, by and among DHI Group, Inc., OnTargetJobs Canada, Inc. and Virgil AcquisitionCo Inc. \(incorporated by reference from Exhibit 2.1 to Company's Current Report on Form 8-K \(File No. 001-33584\) filed on May 29, 2018\).](#)
  - 3.1 [Amended and Restated Certificate of Incorporation \(incorporated by reference from Exhibit 3.1 to the Company's Current Report on Form 8-K \(File No. 001-33584\) filed on July 23, 2007\).](#)
  - 3.2 [Second Amended and Restated By-laws \(incorporated by reference from Exhibit 3.1 to the Company's Current Report on Form 8-K \(File No. 001-33584\) filed on March 9, 2016\).](#)
  - 3.3 [Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Dice Holdings, Inc., effective April 21, 2015.](#)
  - 4.1 [Specimen Stock Certificate \(incorporated by reference from Exhibit 4.1 to Amendment No. 4 to the Company's Registration Statement on Form S-1 \(File No. 333-141876\) filed on June 22, 2007\).](#)
  - 4.2 [Second Amended and Restated Shareholders Agreement, dated as of July 23, 2007, by and between DHI Group, Inc. and the eFG Shareholders named therein \(incorporated by reference from Exhibit 4.1 to the Company's Current Report on Form 8-K \(File No. 001-33584\) filed on July 23, 2007\).](#)
  - 4.3 [Institutional and Management Shareholders Agreement, dated as of July 23, 2007, by and among DHI Group, Inc., the Quadrangle Entities named therein, the General Atlantic Entities named therein and the Management Shareholders named therein \(incorporated by reference from Exhibit 4.2 to the Company's Current Report on Form 8-K \(File No. 001-33584\) filed on July 23, 2007\).](#)
  - 4.4 [Amendment No. 1 to Second Amended and Restated Shareholders Agreement, dated as of February 4, 2008, by and among DHI Group, Inc. and the eFG Shareholders named therein \(incorporated by reference from Exhibit 4.4 to the Company's Annual Report on Form 10-K \(File No. 001-33584\) filed on March 25, 2008\).](#)
  - 10.1† [The DHI Group, Inc. 2005 Omnibus Stock Plan \(the "2005 Stock Plan"\) \(incorporated by reference from Exhibit 10.14 to Amendment No. 1 to the Company's Registration Statement on Form S-1 \(File No. 333-141876\) filed on May 18, 2007\).](#)
  - 10.2† [Form of Stock Option Award Agreement under the 2005 Stock Plan \(incorporated by reference from Exhibit 10.15 to Amendment No. 1 to the Company's Registration Statement on Form S-1 \(File No. 333-141876\) filed on May 18, 2007\).](#)
  - 10.3† [The DHI Group, Inc. 2007 Equity Award Plan \(the "2007 Equity Plan"\) \(incorporated by reference from Exhibit 10.16 to Amendment No. 1 to the Company's Registration Statement on Form S-1 \(File No. 333-141876\) filed on May 18, 2007\).](#)
  - 10.4† [Form of Stock Award Agreement under the 2007 Equity Plan \(incorporated by reference from Exhibit 10.11 to Amendment No. 2 to the Company's Registration Statement on Form S-1 \(File No. 333-141876\) filed on June 8, 2007\).](#)
  - 10.5† [The DHI Group, Inc. 2012 Omnibus Equity Award Plan \(the "2012 Equity Plan"\) \(incorporated by reference from Exhibit 10.1 to the Company's Registration Statement on Form S-8 \(File No. 333-182756\) filed on July 19, 2012\).](#)
  - 10.6† [Form of Stock Option Award Agreement under the 2012 Equity Plan \(incorporated by reference from Exhibit 10.2 to the Company's Registration Statement on Form S-8 \(File No. 333-182756\) filed on July 19, 2012\).](#)
  - 10.7† [Form of Restricted Stock Award Agreement under the 2012 Equity Plan \(incorporated by reference from Exhibit 10.3 to the Company's Registration Statement on Form S-8 \(File No. 333-182756\) filed on July 19, 2012\).](#)
  - 10.8† [Form of Performance-Based Restricted Stock Unit Award Agreement under the 2012 Equity Plan \(incorporated by reference from Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2015 \(File No. 001-33584\) filed on April 29, 2015\).](#)
  - 10.9† [The DHI Group, Inc. Executive Cash Incentive Plan \(incorporated by reference from Exhibit 10.12 to Amendment No. 2 to the Company's Registration Statement on Form S-1 \(File No. 333-141876\) filed on June 8, 2007\).](#)



10.10†	<a href="#">Employment Agreement, dated as of April 20, 2000, and amended as of March 1, 2001, between Earthweb Inc. and Michael P. Durney (incorporated by reference from Exhibit 10.4 to Amendment No. 6 to the Company's Registration Statement on Form S-1 (File No. 333-141876) filed on July 11, 2007).</a>
10.11†	<a href="#">Separation Agreement, dated as November 1, 2017, by and between DHI Group, Inc. and Michael P Durney (incorporated by reference from Exhibit 10.10 to the Company's Annual Report on Form 10-K for the year ended December 31, 207 (File No. 001-33584) filed on February 12, 2018).</a>
10.12†	<a href="#">Separation Agreement dated as of February 9, 2018 between eFinancialCareers Limited and James Bennett (incorporated by reference from Exhibit 10.11 to the Company's Annual Report on Form 10-K for the year ended December 31, 2017 (File No. 001-33584) filed on February 12, 2018).</a>
10.13†	<a href="#">Employment Agreement, dated as of January 31, 2000, and amended as of March 1, 2001, between Earthweb Inc. and Brian Campbell (incorporated by reference from Exhibit 10.7 to Amendment No. 6 to the Company's Registration Statement on Form S-1 (File No. 333-141876) filed on July 11, 2007).</a>
10.14†	<a href="#">Employment Agreement, dated as of June 20, 2005 between eFinancialCareers Limited and John Benson (incorporated by reference from Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended on March 31, 2008 (File No. 001-33584) filed on May 7, 2008).</a>
10.15†	<a href="#">Employment Agreement dated as of November 16, 2004, and amended as of July 1, 2011 between eFinancialCareers Limited and James Bennett (incorporated by reference from Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q (File No. (001-33584) filed on April 25, 2012 with the Securities and Exchange Commission).</a>
10.16†	<a href="#">Amendment to Employment Agreement dated as of July 29, 2013 between Dice Inc., DHI Group, Inc. and Michael P. Durney (incorporated by reference from Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2013 (File No. 001-33584) filed on October 29, 2013).</a>
10.17†	<a href="#">Employment Agreement dated as of January 1, 2014 between Dice Inc. and Pamela Bilash (incorporated by reference from Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2014 (File No. 001-33584) filed on April 30, 2014).</a>
10.18†	<a href="#">Employment Agreement dated as of January 1, 2014 between Dice Inc. and Klavs Miller (incorporated by reference from Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2014 (File No. 001-33584) filed on April 30, 2014).</a>
10.19*	<a href="#">Second Amended and Restated Credit Agreement dated as of November 14, 2018, among DHI Group, Inc., Dice Inc. and Dice Career Solutions, Inc., as Borrowers, the various lenders party thereto, JPMorgan Chase Bank, N.A., as administrative agent, Bank of America, N.A. and BMO Harris Bank N.A., as co-syndication agents and TD Bank, N.A., as documentation agent.</a>
10.20†	<a href="#">Employment Agreement dated as of November 1, 2016 between Dice Inc. and Luc Grégoire (incorporated by reference from Exhibit 10.23 to the Company's Annual Report on Form 10-K (File No. 001-33584) filed on February 9, 2017).</a>
10.21†	<a href="#">Separation Agreement, dated as of June 16, 2017 among DHI Group, Inc., Dice Inc., and Shraavan Goli (incorporated by reference from Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-33584) filed on June 29, 2017).</a>
10.22†	<a href="#">Employment Agreement and Addendum to Employment Agreement dated as of April 9, 2018 between DHI Group, Inc., Dice Inc. and Art Zeile (incorporated by reference from Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2018 (File No. 001-33584) filed on August 2, 2018).</a>
10.23†	<a href="#">Employment Agreement and Addendum to Employment Agreement dated as of September 9, 2018 between DHI Group, Inc. and Christian Dwyer.</a>
10.24*†	<a href="#">Employment Agreement and Addendum to Employment Agreement dated as of September 25, 2018, between DHI Group, Inc. and Michelle Marian.</a>
21.1*	<a href="#">Subsidiaries of the Registrant.</a>
31.1*	<a href="#">Certifications of Art Zeile, Chief Executive Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>
31.2*	<a href="#">Certifications of Luc Grégoire, Chief Financial Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>
32.1*	<a href="#">Certifications of Art Zeile, Chief Executive Officer, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
32.2*	<a href="#">Certifications of Luc Grégoire, Chief Financial Officer, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
101.INS	XBRL Instance Document.

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101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.

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- \* Filed herewith.
- † Identifies a management contract or compensatory plan or arrangement.
- (b) Financial Statement Schedules.

[Schedule II—Consolidated Valuation and Qualifying Accounts](#)

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

None.

**SCHEDULE II**

**DHI GROUP, INC.**  
**CONSOLIDATED VALUATION AND QUALIFYING ACCOUNTS**  
**As of December 31, 2016, 2017 and 2018**  
**(in thousands)**

<u>Column A</u>	<u>Column B</u>	<u>Column C</u>	<u>Column D</u>	<u>Column E</u>
<u>Description</u>	<u>Balance at Beginning of Period</u>	<u>Charged to Income</u>	<u>Deductions</u>	<u>Balance at End of Period</u>
<b>Reserves Deducted From Assets to Which They Apply:</b>				
<b>Reserve for uncollectible accounts receivable:</b>				
Year ended December 31, 2016	\$ 2,945	\$ 1,435	\$ (1,199)	\$ 3,181
Year ended December 31, 2017	3,181	1,556	(3,049)	1,688
Year ended December 31, 2018	1,688	1,069	(2,110)	647
<b>Deferred tax valuation allowance:</b>				
Year ended December 31, 2016	\$ 1,746	\$ (713)	\$ —	\$ 1,033
Year ended December 31, 2017 <sup>(1)</sup>	1,033	(809)	—	224
Year ended December 31, 2018 <sup>(2)</sup>	224	5,081	—	5,305

(1) Reduction primarily due to utilization of foreign tax credits.

(2) Increase primarily due to valuation allowance for tax capital loss carryforward resulting from Rigzone sale.

*See notes to the DHI Group, Inc. consolidated financial statements included elsewhere herein.*

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this Annual Report on Form 10-K to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: February 7, 2019

DHI Group, Inc.

By: /S/ Art Zeile

Art Zeile

President and Chief Executive Officer

(on behalf of the registrant)

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

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/S/ Art Zeile</u> <b>Art Zeile</b>	President, Chief Executive Officer and Director (Principal Executive Officer)	February 7, 2019
<u>/S/ Luc Grégoire</u> <b>Luc Grégoire</b>	Chief Financial Officer (Principal Financial and Accounting Officer)	February 7, 2019
<u>/S/ John W. Barter</u> <b>John W. Barter</b>	Chairman and Director	February 7, 2019
<u>/S/ Carol Carpenter</u> <b>Carol Carpenter</b>	Director	February 7, 2019
<u>/S/ Golnar Sheikholeslami</u> <b>Golnar Sheikholeslami</b>	Director	February 7, 2019
<u>/S/ Brian Schipper</u> <b>Brian Schipper</b>	Director	February 7, 2019
<u>/S/ Burton Goldfield</u> <b>Burton Goldfield</b>	Director	February 7, 2019
<u>/S/ Jim Friedlich</u> <b>Jim Friedlich</b>	Director	February 7, 2019
<u>/S/ Jennifer Deason</u> <b>Jennifer Deason</b>	Director	February 7, 2019

# J.P.MORGAN

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SECOND AMENDED AND RESTATED CREDIT AGREEMENT

dated as of

November 14, 2018

among

DHI GROUP, INC.  
DICE INC. and DICE CAREER SOLUTIONS, INC.,  
as Borrowers

The Lenders Party Hereto

JPMORGAN CHASE BANK, N.A.  
as Administrative Agent

BANK OF AMERICA, N.A.  
and BMO HARRIS BANK N.A.  
as Co-Syndication Agents

and

TD BANK, N.A.  
as Documentation Agent

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JPMORGAN CHASE BANK, N.A.  
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED  
and  
BMO HARRIS BANK N.A.  
as Joint Bookrunners and Joint Lead Arrangers

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Exhibit C – Form of Increasing Lender Supplement

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Exhibit G-2 – Form of U.S. Tax Certificate (Foreign Participants That Are Not Partnerships)

Exhibit G-3 – Form of U.S. Tax Certificate (Foreign Participants That Are Partnerships)

Exhibit G-4 – Form of U.S. Tax Certificate (Foreign Lenders That Are Partnerships)

Exhibit H – Form of Security Agreement

Exhibit I – Form of Subsidiary Guaranty

Exhibit J-1 – Form of Borrowing Request

Exhibit J-2 – Form of Interest Election Request

SECOND AMENDED AND RESTATED CREDIT AGREEMENT (this “Agreement”) dated as of November 14, 2018 among DHI GROUP, INC. (the “Company”), DICE INC. (“Dice”), DICE CAREER SOLUTIONS, INC. (“DCS” and, together with the Company and Dice, the “Borrowers” and each a “Borrower”), the LENDERS from time to time party hereto, JPMORGAN CHASE BANK, N.A., as Administrative Agent, BANK OF AMERICA, N.A. and BMO HARRIS BANK N.A., as Co-Syndication Agents and TD BANK N.A., as Documentation Agent.

WHEREAS, the Borrowers, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent thereunder, are currently party to the Amended and Restated Credit Agreement, dated as of November 24, 2015 (as amended, supplemented or otherwise modified prior to the date hereof, the “Existing Credit Agreement”);

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WHEREAS, the Borrowers, the Lenders, the Departing Lender (as hereafter defined), the Administrative Agent have agreed (a) to enter into this Agreement in order to (i) amend and restate the Existing Credit Agreement in its entirety; (ii) modify and re-evidence the “Secured Obligations” under, and as defined in, the Existing Credit Agreement, which shall be repayable in accordance with the terms of this Agreement; and (iii) set forth the terms and conditions under which the Lenders will, from time to time, make loans and extend other financial accommodations to or for the benefit of the Borrowers and (b) that the Departing Lender shall cease to be a party to the Existing Credit Agreement as evidenced by its execution and delivery of its Departing Lender Signature Page;

WHEREAS, it is the intent of the parties hereto that this Agreement not constitute a novation of the obligations and liabilities of the parties under the Existing Credit Agreement or be deemed to evidence or constitute full repayment of such obligations and liabilities, but that this Agreement amend and restate in its entirety the Existing Credit Agreement and modify and re-evidence the obligations and liabilities of the Borrowers and the other Loan Parties outstanding thereunder, which shall be payable in accordance with the terms hereof; and

WHEREAS, it is also the intent of the Borrowers and the Subsidiary Guarantors to confirm that all obligations under the “Loan Documents” (as referred to and defined in the Existing Credit Agreement) shall continue in full force and effect as modified and/or restated by the Loan Documents (as referred to and defined herein) and that, from and after the Effective Date, all references to the “Credit Agreement” contained in any such existing “Loan Documents” shall be deemed to refer to this Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties hereto hereby agree that the Existing Credit Agreement is hereby amended and restated as follows:

## ARTICLE I

### Definitions

SECTION 1.01 Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

“ABR”, when used in reference to any Loan or Borrowing, refers to such Loan, or the Loans comprising such Borrowing, bearing interest at a rate determined by reference to the Alternate Base Rate.

“Acquisition”, by any Person, means the acquisition by such Person, in a single transaction or in a series of related transactions, of either (a) all or any substantial portion of the property of, or a line of business or division of, another Person or (b) at least a majority of the Voting Stock of another Person, in each case whether or not involving a merger or consolidation with such other Person.

“Acquisition-Related Incremental Term Loans” has the meaning assigned to such term in Section 2.20.

“Adjusted Covenant Period” has the meaning specified in Section 6.11(a).

“Adjusted LIBO Rate” means, with respect to any Eurocurrency Borrowing for any Interest Period, an interest rate per annum (rounded upwards, if necessary, to the next 1/16 of 1%) equal to (a) the LIBO Rate for such Interest Period multiplied by (b) the Statutory Reserve Rate.

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“Administrative Agent” means JPMorgan Chase Bank, N.A. (including its branches and affiliates), in its capacity as administrative agent for the Lenders hereunder.

“Administrative Questionnaire” means an Administrative Questionnaire in a form supplied by the Administrative Agent.

“Affiliate” means, with respect to any Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“Aggregate Commitment” means the aggregate of the Commitments of all of the Lenders, as reduced or increased from time to time pursuant to the terms and conditions hereof. As of the Effective Date, the Aggregate Commitment is \$90,000,000.

“Agreed Currencies” means (i) Dollars, (ii) euro, (iii) Pounds Sterling and (iv) any other currency (x) that is a lawful currency (other than Dollars) that is readily available and freely transferable and convertible into Dollars, (y) for which a LIBO Screen Rate is available in the Administrative Agent’s reasonable determination and (z) that is agreed to by the Administrative Agent and each of the Lenders.

“Agreement” has the meaning assigned to such term in the introductory paragraph.

“Alternate Base Rate” means, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the NYFRB Rate in effect on such day plus ½ of 1% and (c) the Adjusted LIBO Rate for a one month Interest Period in Dollars on such day (or if such day is not a Business Day, the immediately preceding Business Day) plus 1%, provided that for the purpose of this definition, the Adjusted LIBO Rate for any day shall be based on the LIBO Screen Rate (or if the LIBO Screen Rate is not available for such one month Interest Period, the Interpolated Rate) at approximately 11:00 a.m. London time on such day. Any change in the Alternate Base Rate due to a change in the Prime Rate, the NYFRB Rate or the Adjusted LIBO Rate shall be effective from and including the effective date of such change in the Prime Rate, the NYFRB Rate or the Adjusted LIBO Rate, respectively. If the Alternate Base Rate is being used as an alternate rate of interest pursuant to Section 2.14 hereof, then the Alternate Base Rate shall be the greater of clauses (a) and (b) above and shall be determined without reference to clause (c) above. For the avoidance of doubt, if the Alternate Base Rate as so determined would be less than 1.00%, such rate shall be deemed to be 1.00% for purposes of this Agreement.

“Alternative Rate” has the meaning assigned to such term in Section 2.14(a).

“Anti-Corruption Laws” means all laws, rules, and regulations of any jurisdiction with authority or jurisdiction over the Company or any of its Subsidiaries from time to time concerning or relating to bribery or corruption.

“Applicable Party” has the meaning assigned to such term in Section 8.03(c).

“Applicable Percentage” means, with respect to any Lender, the percentage of the Aggregate Commitment represented by such Lender’s Commitment; provided that, in the case of Section 2.23 when a Defaulting Lender shall exist, “Applicable Percentage” shall mean the percentage of the Aggregate Commitment (disregarding any Defaulting Lender’s Commitment) represented by such Lender’s Commitment. If the Commitments have terminated or expired, the Applicable Percentages shall be determined based upon the Commitments most recently in effect, giving effect to any assignments and to any Lender’s status as a Defaulting Lender at the time of determination.

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“Applicable Rate” means, for any day, with respect to any Eurocurrency Loan or any ABR Loan, or with respect to the commitment fees payable hereunder, as the case may be, the applicable rate per annum set forth below under the caption “Eurocurrency Spread”, “ABR Spread” or “Commitment Fee Rate”, as the case may be, based upon the Consolidated Leverage Ratio as of the last day of the most recent fiscal quarter or fiscal year for which Financials have been delivered pursuant to Section 5.01:

	<u>Consolidated Leverage Ratio:</u>	<u>Eurocurrency Spread</u>	<u>ABR Spread</u>	<u>Commitment Fee Rate</u>
<u>Category 1</u> :	< 1.00 to 1.00	1.75%	0.75%	0.30%
<u>Category 2</u> :	≥ 1.00 to 1.00 but < 1.50 to 1.00	2.00%	1.00%	0.35%
<u>Category 3</u> :	≥ 1.50 to 1.00 but ≤ 2.00 to 1.00	2.25%	1.25%	0.40%
<u>Category 4</u> :	> 2.00 to 1.00	2.50%	1.50%	0.45%

For purposes of the foregoing,

(i) if at any time the Company fails to deliver the Financials on or before the date the Financials are due pursuant to Section 5.01, Category 4 shall be deemed applicable for the period commencing three (3) Business Days after the required date of delivery and ending on the date which is three (3) Business Days after the Financials are actually delivered, after which the Category shall be determined in accordance with the table above as applicable;

(ii) adjustments, if any, to the Category then in effect shall be effective three (3) Business Days after the Administrative Agent has received the applicable Financials (it being understood and agreed that each change in Category shall apply during the period commencing on the effective date of such change and ending on the date immediately preceding the effective date of the next such change); and

(iii) notwithstanding the foregoing, Category 1 shall be deemed to be applicable until the Administrative Agent’s receipt of the applicable Financials for the Company’s first fiscal quarter ending after the Effective Date (unless such Financials demonstrate that Category 2, 3 or 4 should have been applicable during such period, in which case such other Category shall be deemed to be applicable during such period) and adjustments to the Category then in effect shall thereafter be effected in accordance with the preceding paragraphs.

“Approved Electronic Platform” has the meaning assigned to such term in Section 8.03(a).

“Approved Fund” has the meaning assigned to such term in Section 9.04(b).

“Arranger” means each of JPMorgan Chase Bank, N.A., Merrill Lynch, Pierce, Fenner & Smith Incorporated and BMO Harris Bank N.A. in its capacity as a joint bookrunner and a joint lead arranger hereunder.

“Assignment and Assumption” means an assignment and assumption agreement entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 9.04), and

accepted by the Administrative Agent, in the form of Exhibit A or any other form (including electronic records generated by the use of an electronic platform) approved by the Administrative Agent.

“Attributable Indebtedness” means, with respect to any Person on any date, in respect of any Capital Lease, the capitalized amount thereof that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP.

“Audited Financial Statements” means the audited consolidated balance sheet of the Company and its Subsidiaries for the fiscal year ended December 31, 2017, and the related consolidated statements of income or operations, shareholders’ equity and cash flows of the Company and its Subsidiaries for such fiscal year, including the notes thereto.

“Augmenting Lender” has the meaning assigned to such term in Section 2.20.

“Auto-Extension Letter of Credit” has the meaning assigned to such term in Section 2.06(c)(B).

“Availability Period” means the period from and including the Effective Date to but excluding the earlier of the Maturity Date and the date of termination of the Commitments.

“Available Revolving Commitment” means, at any time with respect to any Lender, the Revolving Commitment of such Lender then in effect minus the Revolving Credit Exposure of such Lender at such time.

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

“Bail-In Legislation” means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

“Banking Services” means each and any of the following bank services provided to the Company or any Subsidiary by any Lender or any of its Affiliates: (a) credit cards for commercial customers (including, without limitation, commercial credit cards and purchasing cards), (b) stored value cards, (c) merchant processing services and (d) treasury management services (including, without limitation, controlled disbursement, automated clearinghouse transactions, return items, any direct debit scheme or arrangement, overdrafts and interstate depository network services).

“Banking Services Agreement” means any agreement entered into by the Company or any Subsidiary in connection with Banking Services.

“Banking Services Obligations” means any and all obligations of the Company or any Subsidiary, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor) in connection with Banking Services.

“Bankruptcy Code” means Title 11 of the United States Code entitled “Bankruptcy”, as now and hereafter in effect, or any successor statute.

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“Bankruptcy Event” means, with respect to any Person, such Person becomes the subject of a voluntary or involuntary bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, administrator, custodian, assignee for the benefit of creditors or similar Person charged with the reorganization or liquidation of its business appointed for it, or, in the good faith determination of the Administrative Agent, has taken any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any such proceeding or appointment or has had any order for relief in such proceeding entered in respect thereof, provided that a Bankruptcy Event shall not result solely by virtue of any ownership interest, or the acquisition of any ownership interest, in such Person by a Governmental Authority or instrumentality thereof, provided, further, that such ownership interest does not result in or provide such Person with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Person (or such Governmental Authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made by such Person.

“Beneficial Ownership Regulation” means 31 C.F.R. § 1010.230.

“Benefit Plan” means any of (a) an “employee benefit plan” (as defined in Section 3(3) of ERISA) that is subject to Title I of ERISA, (b) a “plan” as defined in Section 4975 of the Code to which Section 4975 of the Code applies, and (c) any Person whose assets include (for purposes of the Plan Asset Regulations or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such “employee benefit plan” or “plan”.

“Board” means the Board of Governors of the Federal Reserve System of the United States of America.

“Borrower” and “Borrowers” each has the meaning specified in the introductory paragraph hereto.

“Borrower Materials” has the meaning specified in Section 5.02.

“Borrowing” means Revolving Loans of the same Type, made, converted or continued on the same date and, in the case of Eurocurrency Loans, as to which a single Interest Period is in effect.

“Borrowing Request” means a request by any Borrower for a Borrowing in accordance with Section 2.03, which shall be substantially in the form attached hereto as Exhibit J-1 or any other form approved by the Administrative Agent.

“Business Day” means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to remain closed; provided that, when used in connection with a Eurocurrency Loan, the term “Business Day” shall also exclude any day on which banks are not open for dealings in the relevant Agreed Currency in the London interbank market or the principal financial center of such Agreed Currency (and, if the Borrowings or LC Disbursements which are the subject of a borrowing, drawing, payment, reimbursement or rate selection are denominated in euro, the term “Business Day” shall also exclude any day on which the TARGET2 payment system is not open for the settlement of payments in euro).

“Capital Lease” means, as applied to any Person, any lease of any property by that Person as lessee which, in accordance with GAAP, is required to be accounted for as a capital lease on the balance sheet of that Person.

“Cash Equivalents” means, as at any date: (1) with respect to the Company or any of its Subsidiaries (a) securities issued or directly and fully guaranteed or insured by the United States or any agency or

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instrumentality thereof having maturities of not more than three years from the date of acquisition (and acquired the Company or its Subsidiaries in a manner consistent with past practices), (b) Dollar denominated time deposits and certificates of deposit of (i) any Lender, (ii) any domestic commercial bank of recognized standing having capital and surplus in excess of \$500,000,000 or (iii) any bank whose short-term commercial paper rating from S&P is at least A-1 or the equivalent thereof or from Moody's is at least P-1 or the equivalent thereof (any such bank being an "Approved Bank"), in each case with maturities of not more than one year from the date of acquisition, (c) commercial paper and variable or fixed rate notes issued by any Approved Bank (or by the parent company thereof) or any variable rate notes issued by, or guaranteed by, any domestic corporation rated A-1 (or the equivalent thereof) or better by S&P or P-1 (or the equivalent thereof) or better by Moody's and maturing within 270 days of the date of acquisition, (d) repurchase agreements entered into by any Person with a bank or trust company (including any of the Lenders) or recognized securities dealer having capital and surplus in excess of \$500,000,000 for direct obligations issued by or fully guaranteed by the United States in which such Person shall have a perfected first priority security interest (subject to no other Liens) and having, on the date of purchase thereof, a fair market value of at least 100% of the amount of the repurchase obligations and (e) investments, classified in accordance with GAAP as current assets, in money market investment programs registered under the Investment Company Act of 1940 which are administered by reputable financial institutions having capital of at least \$500,000,000 and the portfolios of which are limited to Investments of the character described in the foregoing subdivisions (a) through (d) and (2) with respect to any Foreign Subsidiary of the Company: (a) obligations of the national government of the country in which such Foreign Subsidiary maintains its chief executive office and principal place of business provided such country is a member of the Organization for Economic Cooperation and Development, in each case maturing within one year after the date of investment therein, (b) certificates of deposit of, bankers acceptances of, or time deposits with, any commercial bank which is organized and existing under the laws of the country in which such Foreign Subsidiary maintains its chief executive office and principal place of business and whose short-term commercial paper rating from S&P is at least A-1 or the equivalent thereof or from Moody's is at least P-1 or the equivalent thereof (any such bank being an "Approved Foreign Bank"), and in each case with maturities of not more than 270 days from the date of acquisition, (c) the equivalent of demand deposit accounts which are maintained with an Approved Foreign Bank and (d) other investments of a comparable tenor and credit quality as those described in the foregoing clause (1) utilized by a Foreign Subsidiary for short term cash management purposes in countries in which such Foreign Subsidiary operates or in a country that is a member of the Organization for Economic Cooperation and Development.

"Change in Law" means the occurrence, after the date of this Agreement (or with respect to any Lender, if later, the date on which such Lender becomes a Lender), of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority, or (c) the making or issuance of any request, rules, guideline, requirement or directive (whether or not having the force of law) by any Governmental Authority; provided however, that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines, requirements and directives thereunder, issued in connection therewith or in implementation thereof, and (ii) all requests, rules, guidelines, requirements and directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law" regardless of the date enacted, adopted, issued or implemented.

"Change of Control" means an event or series of events by which:

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(a) any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding (i) any employee benefit plan of such person or its subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan or (ii) any Permitted Holder) becomes (or shall have entered into a contract or arrangement that, upon consummation thereof, will become) the “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934, except that a person or group shall be deemed to have “beneficial ownership” of all Equity Interests that such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time (such right, an “option right”)), directly or indirectly, of a majority of the Equity Interests of the Company entitled to vote for members of the board of directors or equivalent governing body of the Company on a fully diluted basis (and taking into account all such securities that such person or group has the right to acquire pursuant to any option right);

(b) during any period of twenty-four (24) consecutive months, a majority of the members of the board of directors or other equivalent governing body of the Company cease to be composed of individuals (i) who were members of that board or equivalent governing body on the first day of such period, (ii) whose election or nomination to that board or equivalent governing body was approved by individuals referred to in clause (i) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body or (iii) whose election or nomination to that board or other equivalent governing body was approved by individuals referred to in clauses (i) and (ii) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body; and

(c) the Company fails to own and control 100% of the issued and outstanding Equity Interests of Dice or DCS.

“Code” means the Internal Revenue Code of 1986, as amended.

“Collateral” means a collective reference to all real and personal property with respect to which Liens in favor of the Administrative Agent, for the benefit of itself and the Lenders, are purported to be granted pursuant to and in accordance with the terms of the Collateral Documents.

“Collateral Documents” means a collective reference to the Security Agreement, the Mortgages, if any, and other security documents as may be executed and delivered by the Loan Parties pursuant to the terms of Section 5.14.

“Commitment” means, with respect to each Lender, the commitment of such Lender to make Revolving Loans and to acquire participations in Letters of Credit hereunder, expressed as an amount representing the maximum aggregate amount of such Lender’s Revolving Credit Exposure hereunder, as such commitment may be (a) reduced or terminated from time to time pursuant to Section 2.09, (b) increased from time to time pursuant to Section 2.20 and (c) reduced or increased from time to time pursuant to assignments by or to such Lender pursuant to Section 9.04. The initial amount of each Lender’s Commitment is set forth on Schedule 2.01A, or in the Assignment and Assumption or other documentation or record (as such term is defined in Section 9-102(a)(70) of the New York Uniform Commercial Code) contemplated hereby pursuant to which such Lender shall have assumed its Commitment, as applicable.

“Commodity Exchange Act” means the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

“Communications” means, collectively, any notice, demand, communication, information, document or other material provided by or on behalf of any Loan Party pursuant to any Loan Document or the transactions contemplated therein which is distributed by the Administrative Agent, any Lender or the

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Issuing Bank by means of electronic communications pursuant to Section 8.03(c), including through an Approved Electronic Platform.

“Company” means DHI Group, Inc., a Delaware corporation.

“Compliance Certificate” means a certificate substantially in the form of Exhibit F.

“Computation Date” is defined in Section 2.04.

“Consolidated EBITDA” means, for any period, for the Company and its Subsidiaries on a consolidated basis, an amount equal to the sum of (a) Consolidated Net Income for such period plus (b) without duplication, the following to the extent deducted in calculating such Consolidated Net Income: (i) Consolidated Interest Charges for such period, (ii) the provision for federal, state, local and foreign income taxes payable for such period, (iii) the amount of depreciation and amortization expense for such period, (iv) non-cash stock option expenses deducted for the period, (v) losses during such period resulting from the Disposition of any asset of the Company or any Subsidiary outside the ordinary course of business, to the extent permitted by this Agreement, (vi) write-off of debt discount and debt issuance costs and commissions, discounts and other similar fees and charges associated with Indebtedness of the Company and its Subsidiaries (including in respect of this Agreement), (vii) any non-cash charges, including those associated with impairment and disposal of long-lived assets pursuant to Accounting Standards Codification 360, (viii) any reasonable transaction related fees and expenses incurred in connection with any equity offering or any other offering of securities by the Company, (ix) any extraordinary or non-recurring non-cash expenses or losses including, whether or not otherwise includable as a separate item in the statement of such Consolidated Net Income for such period, non-cash losses on sales of assets outside of the ordinary course of business, (x) reasonable transaction related fees and expenses incurred by such Person or its Subsidiaries in connection with the transactions contemplated to be consummated hereby on the Effective Date in an aggregate amount not to exceed \$250,000, (xi) write-off of non-cash deferred revenue in connection with purchase accounting applied in respect of any Permitted Acquisition (it being understood that such non-cash deferred revenue shall be recognized in such period(s) as it would have been recognized but for such Acquisition), (xii) write-off of non-cash stock compensation expense, if any, and (xiii) business interruption insurance proceeds to the extent not already included in Consolidated Net Income, minus (c) without duplication, the following to the extent included in calculating such Consolidated Net Income: (i) non-cash income or gains for such period, (ii) interest income, (iii) any income or gain during such period resulting from the Disposition of any asset of the Company or any Subsidiary outside of the ordinary course of business and (iv) any cash payments made during such period in respect of items described in clauses (b)(vii) or (b)(ix) above subsequent to the fiscal quarter in which the relevant non-cash expenses, losses or charges were incurred.

“Consolidated Funded Indebtedness” means, as of any date of determination with respect to the Company and its Subsidiaries on a consolidated basis, without duplication, the sum of: (a) all obligations for borrowed money, whether current or long-term (including the Obligations) and all obligations evidenced by bonds, debentures, notes, loan agreements or other similar instruments; (b) all purchase money Indebtedness; (c) the maximum amount available to be drawn under letters of credit (including standby and commercial), bankers’ acceptances, bank guaranties, surety bonds and similar instruments, in each case to the extent issued or provided in respect of obligations that constitute Indebtedness, (d) any unreimbursed drawings under letters of credit (including standby and commercial), bankers’ acceptances, bank guaranties, surety bonds and similar instruments, in each case to the extent not issued or provided in respect of obligations that constitute Indebtedness; (e) all obligations in respect of the deferred purchase price of property or services (other than trade accounts payable in the ordinary course of business); (f) all Attributable Indebtedness;

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(g) all obligations to purchase, redeem, retire, defease or otherwise make any payment prior to the Maturity Date in respect of any Equity Interests or any warrant, right or option to acquire such Equity Interest, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends; (h) all Guarantees with respect to Indebtedness of the types specified in clauses (a) through (g) above of another Person; and (i) all Indebtedness of the types referred to in clauses (a) through (h) above of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which any Loan Party or any Subsidiary is a general partner or joint venturer, except to the extent that Indebtedness is expressly made non-recourse to such Person. Notwithstanding the foregoing, for purposes of calculating Consolidated Funded Indebtedness, (i) Earn-Outs shall only be included to the extent that such Earn-Outs would, assuming the satisfaction of the conditions to the payment thereof set forth in the documentation governing such Earn-Out, become payable within twelve months of the date of determination of Consolidated Funded Indebtedness and (ii) the amount of such Earn-Out shall be determined by the Company in accordance with GAAP (including SFAS 141(R)).

“Consolidated Interest Charges” means, for any period, for the Company and its Subsidiaries on a consolidated basis, an amount equal to the sum of (a) all interest, premium payments, debt discount, fees, charges and related expenses in connection with borrowed money (including capitalized interest) or in connection with the deferred purchase price of assets, in each case to the extent treated as interest in accordance with GAAP, plus (b) the portion of rent expense with respect to such period under Capital Leases that is treated as interest in accordance with GAAP.

“Consolidated Interest Coverage Ratio” means, as of any date of determination, the ratio of (a) Consolidated EBITDA to (b) Consolidated Interest Charges, in each case for the four most recently completed fiscal quarters.

“Consolidated Leverage Ratio” means, as of any date of determination, the ratio of (a) Consolidated Funded Indebtedness as of such date to (b) the sum of (i) Consolidated EBITDA for the four most recently completed fiscal quarters plus (ii) the Earn-Out EBITDA Adjustment, if any.

“Consolidated Net Income” means, for any period, for the Company and its Subsidiaries on a consolidated basis, the net income (excluding extraordinary gains and losses) for that period.

“Contractual Obligation” means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. The terms “Controlling” and “Controlled” have meanings correlative thereto.

“Co-Syndication Agent” means each of Bank of America, N.A. and BMO Harris Bank N.A., in its capacity as co-syndication agent for the credit facility evidenced by this Agreement.

“Credit Event” means a Borrowing, the issuance, amendment, renewal or extension of a Letter of Credit, an LC Disbursement or any of the foregoing.

“Credit Party” means the Administrative Agent, any Issuing Bank or any other Lender.

“DCS” has the meaning specified in the introductory paragraph hereto.

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“ Debtor Relief Laws ” means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

“ Default ” means any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

“ Defaulting Lender ” means any Lender that (a) has failed, within two (2) Business Days of the date required to be funded or paid, to (i) fund any portion of its Loans, (ii) fund any portion of its participations in Letters of Credit or (iii) pay over to any Credit Party any other amount required to be paid by it hereunder, unless, in the case of clause (i) above, such Lender notifies the Administrative Agent in writing that such failure is the result of such Lender’s good faith determination that a condition precedent to funding (specifically identified and including the particular default, if any) has not been satisfied, (b) has notified the Company or any Credit Party in writing, or has made a public statement to the effect, that it does not intend or expect to comply with any of its funding obligations under this Agreement (unless such writing or public statement indicates that such position is based on such Lender’s good faith determination that a condition precedent (specifically identified and including the particular default, if any) to funding a loan under this Agreement cannot be satisfied) or generally under other agreements in which it commits to extend credit, (c) has failed, within three (3) Business Days after request by a Credit Party, acting in good faith, to provide a certification in writing from an authorized officer of such Lender that it will comply with its obligations (and is financially able to meet such obligations) to fund prospective Loans and participations in then outstanding Letters of Credit under this Agreement, provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon such Credit Party’s receipt of such certification in form and substance satisfactory to it and the Administrative Agent or (d) has become the subject of (i) a Bankruptcy Event or (ii) a Bail-In Action.

“ Departing Lender ” means the lender under the Existing Credit Agreement that executes and delivers to the Administrative Agent a Departing Lender Signature Page.

“ Departing Lender Signature Page ” means the signature page to this Agreement on which it is indicated that the Departing Lender executing the same shall cease to be a party to the Existing Credit Agreement on the Effective Date.

“ Dice ” has the meaning specified in the introductory paragraph hereto.

“ Disposition ” or “ Dispose ” means the sale, transfer, license, lease or other disposition (whether effected pursuant to a Division or otherwise) of any property by any Loan Party or any Subsidiary, including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith, but excluding any Involuntary Disposition and any issuance of Equity Interests.

“ Dividing Person ” has the meaning assigned to it in the definition of “Division”.

“ Division ” means the division of the assets, liabilities and/or obligations of a Person (the “ Dividing Person ”) among two or more Persons (whether pursuant to a “plan of division” or similar arrangement), which may or may not include the Dividing Person and pursuant to which the Dividing Person may or may not survive.

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“ Division Successor ” means any Person that, upon the consummation of a Division of a Dividing Person, holds all or any portion of the assets, liabilities and/or obligations previously held by such Dividing Person immediately prior to the consummation of such Division. A Dividing Person which retains any of its assets, liabilities and/or obligations after a Division shall be deemed a Division Successor upon the occurrence of such Division.

“ Documentation Agent ” means TD Bank, N.A. in its capacity as documentation agent for the credit facility evidenced by this Agreement.

“ Dollar Amount ” of any amount of any currency means, at the time of determination thereof, (a) if such amount is expressed in Dollars, such amount, (b) if such amount is expressed in a Foreign Currency, the equivalent of such amount in Dollars determined by using the rate of exchange for the purchase of Dollars with such Foreign Currency last provided (either by publication or otherwise provided to the Administrative Agent) by the applicable Thomson Reuters Corp. (“ Reuters ”) source on the Business Day (New York City time) immediately preceding the date of determination or if such service ceases to be available or ceases to provide a rate of exchange for the purchase of Dollars with such Foreign Currency, as provided by such other publicly available information service which provides that rate of exchange at such time in place of Reuters chosen by the Administrative Agent in its sole discretion (or if such service ceases to be available or ceases to provide such rate of exchange, the equivalent of such amount in Dollars as determined by the Administrative Agent using any method of determination it deems appropriate in its sole discretion) and (c) if such amount is denominated in any other currency, the equivalent of such amount in Dollars as determined by the Administrative Agent using any method of determination it deems appropriate in its sole discretion.

“ Dollars ” or “ \$ ” refers to lawful money of the United States of America.

“ Domestic Subsidiary ” means any Subsidiary that is organized under the laws of any state of the United States or the District of Columbia other than any Domestic Subsidiary substantially all of the assets of which are Equity Interests of a Foreign Subsidiary that is a “controlled foreign corporation” within the meaning of Section 957 of the Code.

“ Earn-Out ” means any performance-based, deferred and contingent purchase consideration incurred in connection with an Acquisition.

“ Earn-Out EBITDA Adjustment ” means, as of any date of determination with respect to any Earn-Out that is required to be included in the determination of “Consolidated Funded Indebtedness” at such date, the minimum amount, if any, by which the portion of Consolidated EBITDA attributable to the assets, business or entity acquired in the related Acquisition would need to be increased to satisfy the performance-based condition precedent to the payment of such Earn-Out.

“ ECP ” means an “eligible contract participant” as defined in Section 1(a)(18) of the Commodity Exchange Act or any regulations promulgated thereunder and the applicable rules issued by the Commodity Futures Trading Commission and/or the SEC.

“ EEA Financial Institution ” means (a) any institution established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

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“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“Effective Date” means the date on which the conditions specified in Section 4.01 are satisfied (or waived in accordance with Section 9.02).

“Electronic Signature” means an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or record.

“Environmental Laws” means any and all federal, state, local, foreign and other applicable statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment or the release of any materials into the environment, including those related to hazardous substances or wastes, air emissions and discharges to waste or public systems.

“Environmental Liability” means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of any Loan Party or any Subsidiary directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“Equity Interests” means, with respect to any Person, all of the shares of capital stock of (or other ownership or profit interests in) such Person, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

“ERISA” means the Employee Retirement Income Security Act of 1974.

“ERISA Affiliate” means any trade or business (whether or not incorporated) under common control with the Company within the meaning of Section 414(b) or (c) of the Internal Revenue Code (and Sections 414(m) and (o) of the Internal Revenue Code for purposes of provisions relating to Section 412 of the Internal Revenue Code).

“ERISA Event” means (a) a Reportable Event with respect to a Pension Plan; (b) the withdrawal of the Company or any ERISA Affiliate from a Multiple Employer Plan subject to Section 4063 of ERISA during a plan year in which such entity was a substantial employer (as defined in Section 4001(a)(2) of ERISA) or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) a complete or partial withdrawal by the Company or any ERISA Affiliate from a Multiemployer Plan; (d) the filing of a notice of intent to terminate, the treatment of a Pension Plan amendment as a termination

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under Section 4041 or 4041A of ERISA, (e) the institution by the PBGC of proceedings to terminate a Pension Plan; (f) any event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan; (g) the determination that any Pension Plan is considered an at-risk plan or a plan in endangered or critical status within the meaning of Sections 430, 431 and 432 of the Internal Revenue Code or Sections 303, 304 and 305 of ERISA or (h) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon the Company or any ERISA Affiliate.

“ EU Bail-In Legislation Schedule ” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

“ euro ” and/or “ EUR ” means the single currency of the Participating Member States.

“ Eurocurrency ”, when used in reference to a currency means an Agreed Currency and when used in reference to any Loan or Borrowing, means that such Loan, or the Loans comprising such Borrowing, bears interest at a rate determined by reference to the Adjusted LIBO Rate.

“ Eurocurrency Payment Office ” of the Administrative Agent means, for each Foreign Currency, the office, branch, affiliate or correspondent bank of the Administrative Agent for such currency as specified from time to time by the Administrative Agent to the Company and each Lender.

“ Event of Default ” has the meaning assigned to such term in Article VII.

“ Excluded Account ” means (a) any deposit account of a Loan Party that is used solely for the purpose of payroll, bonuses, other compensation, employee benefits and related expenses and (b) deposit accounts of the Loan Parties that have balances of less than \$500,000 in the aggregate.

“ Excluded Property ” means, with respect to any Loan Party, (a) any owned real property which is located outside of the United States, (b) any leased real property, (c) any IP Rights for which a perfected Lien thereon is not effected either by filing of a Uniform Commercial Code financing statement or by appropriate evidence of such Lien being filed in either the United States Copyright Office or the United States Patent and Trademark Office, (d) unless requested by the Administrative Agent or the Required Lenders, any personal property (other than personal property described in clause (c) above) for which the attachment or perfection of a Lien thereon is not governed by the Uniform Commercial Code, (e) the Equity Interests of any Foreign Subsidiary to the extent not required to be pledged to secure the Obligations pursuant to Section 5.14(a), (f) any property which, subject to the terms of Section 6.09, is subject to a Lien of the type described in Section 6.01(i) pursuant to documents which prohibit such Loan Party from granting any other Liens in such property, (g) any general intangible, permit, lease, license, contract or other instrument to the extent the grant of a security interest in such general intangible, permit, lease, license, contract or other instrument in the manner contemplated by the Loan Documents, under the terms thereof or under applicable Law, is prohibited and would result in the termination thereof or give the other parties thereto the right to terminate, accelerate or otherwise alter such Loan Party’s rights, titles and interests thereunder (including upon the giving of notice or the lapse of time or both) including any intent-to-use applications for trademarks to the extent that, and solely during the period in which, the grant of a security interest therein would impair the validity or enforceability of such applications under applicable Law; provided that (x) any such exclusion described in the foregoing clause (g) on the security interests granted under the Loan Documents shall only apply to the extent that any such prohibition could not be rendered ineffective pursuant to the Uniform Commercial Code or any other applicable Law (including Debtor Relief Laws) or principles of equity and (y) in the event of the termination or elimination of any such prohibition or the requirement for any consent contained in any applicable Law, general intangible, permit, lease, license, contract or other instrument, to

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the extent sufficient to permit any such item to become Collateral, or upon the granting of any such consent, or waiving or terminating any requirement for such consent, a security interest in such general intangible, permit, lease, license, contract or other instrument shall be automatically and simultaneously granted under the Collateral Documents and shall be included as Collateral, (h) any particular asset if, in the sole judgment of the Administrative Agent, the burden, cost or consequences of creating or perfecting such pledges or security interests in such assets or obtaining title insurance is excessive in relation to the benefits to be obtained therefrom by the Lenders under the Loan Documents, and (i) any Excluded Account.

“Excluded Subsidiary” means, unless the Company (in its sole discretion) has caused such Person to execute and deliver a Joinder Agreement and has otherwise complied with the requirements of Section 5.13(b) with respect thereto, Oilcareers.com, Inc., a Delaware corporation.

“Excluded Swap Obligation” means, with respect to any Loan Party, any Specified Swap Obligation if, and to the extent that, all or a portion of the Guarantee of such Loan Party of, or the grant by such Loan Party of a security interest to secure, such Specified Swap Obligation (or any Guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Loan Party’s failure for any reason to constitute an ECP at the time the Guarantee of such Loan Party or the grant of such security interest becomes or would become effective with respect to such related Specified Swap Obligation. If a Specified Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Specified Swap Obligation that is attributable to swaps for which such Guarantee or security interest is or becomes illegal.

“Excluded Taxes” means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the Laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. Federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan, Letter of Credit or Commitment pursuant to a Law in effect on the date on which (i) such Lender acquires such interest in the Loan, Letter of Credit or Commitment (other than pursuant to an assignment request by any Borrower under Section 2.19(b)) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.17, amounts with respect to such Taxes were payable either to such Lender’s assignor immediately before such Lender acquired the applicable interest in a Loan, Letter of Credit or Commitment or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient’s failure to comply with Section 2.17(f) and (d) any withholding Taxes imposed under FATCA.

“Existing Credit Agreement” has the meaning assigned to such term in the recitals hereto.

“Existing Loans” has the meaning assigned to such term in Section 2.01.

“FATCA” means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b)(1) of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities and implementing such Sections of the Code.

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“ Federal Funds Effective Rate ” means, for any day, the rate calculated by the NYFRB based on such day’s federal funds transactions by depository institutions, as determined in such manner as the NYFRB shall set forth on its public website from time to time, and published on the next succeeding Business Day by the NYFRB as the effective federal funds rate; provided that if the Federal Funds Effective Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

“ Financial Officer ” means the chief financial officer, principal accounting officer, treasurer or controller of the Company.

“ Financials ” means the annual or quarterly financial statements, and accompanying certificates and other documents, of the Company and its Subsidiaries required to be delivered pursuant to Section 5.01(a) or 5.01(b).

“ Foreign Currencies ” means Agreed Currencies other than Dollars.

“ Foreign Currency LC Exposure ” means, at any time, the sum of (a) the Dollar Amount of the aggregate undrawn and unexpired amount of all outstanding Foreign Currency Letters of Credit at such time plus (b) the aggregate principal Dollar Amount of all LC Disbursements in respect of Foreign Currency Letters of Credit that have not yet been reimbursed at such time.

“ Foreign Currency Letter of Credit ” means a Letter of Credit denominated in a Foreign Currency.

“ Foreign Currency Sublimit ” means \$20,000,000.

“ Foreign Lender ” means a Lender that is not a U.S. Person.

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

“ GAAP ” means generally accepted accounting principles in the United States 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, consistently applied and as in effect from time to time.

“ Governmental Authority ” means the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supranational bodies such as the European Union or the European Central Bank) and any group or body charged with setting financial accounting or regulatory capital rules or standards (including, without limitation, the Financial Accounting Standards Board, the Bank for International Settlements or the Basel Committee on Banking Supervision or any successor or similar authority to any of the foregoing).

“ Guarantee ” means, as to any Person, (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation payable or performable by another Person (the “primary obligor”) in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other obligation of the payment or performance of such Indebtedness or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the

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primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part), or (b) any Lien on any assets of such Person securing any Indebtedness or other obligation of any other Person, whether or not such Indebtedness or other obligation is assumed by such Person (or any right, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. The term “Guarantee” as a verb has a corresponding meaning.

“ Hazardous Materials ” means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

“ IBA ” has the meaning assigned to such term in Section 1.06.

“ Immaterial Foreign Subsidiary ” means any direct (“first-tier”) Foreign Subsidiary of any Loan Party that (a) together with its Subsidiaries, has neither annual revenues nor assets in excess of 5% of revenues or assets, respectively, of the Company and its Subsidiaries on a consolidated basis and (b) together with all other direct (“first-tier”) Foreign Subsidiaries of the Loan Parties meeting the criteria set forth in the preceding clause (a), and their respective Subsidiaries, has neither annual revenues nor assets in excess of 10% of revenues or assets, respectively, of the Company and its Subsidiaries on a consolidated basis.

“ Impacted Interest Period ” has the meaning assigned to such term in the definition of “LIBO Rate”.

“ Increasing Lender ” has the meaning assigned to such term in Section 2.20.

“ Incremental Term Loan ” has the meaning assigned to such term in Section 2.20.

“ Incremental Term Loan Amendment ” has the meaning assigned to such term in Section 2.20.

“ Indebtedness ” means, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

- (a) all obligations for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments;
  - (b) the maximum amount available to be drawn under letters of credit (including standby and commercial), bankers’ acceptances, bank guaranties, surety bonds and similar instruments;
  - (c) the Swap Termination Value of any Swap Contract;
  - (d) all obligations to pay the deferred purchase price of property or services (other than trade accounts payable in the ordinary course of business), including Earn-Outs;
  - (e) indebtedness (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention
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agreements), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse;

(f) all Attributable Indebtedness;

(g) all obligations to purchase, redeem, retire, defease or otherwise make any payment in respect of any Equity Interests or any warrant, right or option to acquire such Equity Interest, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends;

(h) all Guarantees of such Person in respect of any of the foregoing; and

(i) all Indebtedness of the types referred to in clauses (a) through (h) above of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person is a general partner or joint venturer, unless such Indebtedness is expressly made non-recourse to such Person.

“Indemnified Taxes” means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document and (b) to the extent not otherwise described in clause (a) hereof, Other Taxes.

“Ineligible Institution” has the meaning assigned to such term in Section 9.04(b).

“Interest Election Request” means a request by the applicable Borrower to convert or continue a Borrowing in accordance with Section 2.08, which shall be substantially in the form attached hereto as Exhibit J-2 or any other form approved by the Administrative Agent.

“Interest Payment Date” means (a) with respect to any ABR Loan, the last day of each March, June, September and December and the Maturity Date and (b) with respect to any Eurocurrency Loan, the last day of the Interest Period applicable to the Borrowing of which such Loan is a part and, in the case of a Eurocurrency Borrowing with an Interest Period of more than three months’ duration, each day prior to the last day of such Interest Period that occurs at intervals of three months’ duration after the first day of such Interest Period and the Maturity Date.

“Interest Period” means with respect to any Eurocurrency Borrowing, the period commencing on the date of such Borrowing and ending on the day that is one week, or the numerically corresponding day in the calendar month that is one, two, three or six months, thereafter, as the applicable Borrower (or the Company on behalf of the applicable Borrower) may elect; provided, that (i) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day and (ii) any Interest Period pertaining to a Eurocurrency Borrowing that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period. For purposes hereof, the date of a Borrowing initially shall be the date on which such Borrowing is made and thereafter shall be the effective date of the most recent conversion or continuation of such Borrowing.

“Interpolated Rate” means, at any time, for any Interest Period, the rate *per annum* (rounded to the same number of decimal places as the LIBO Screen Rate) determined by the Administrative Agent (which determination shall be conclusive and binding absent manifest error) to be equal to the rate that results from

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interpolating on a linear basis between: (a) the LIBO Screen Rate for the longest period (for which the LIBO Screen Rate is available for the applicable currency) that is shorter than the Impacted Interest Period; and (b) the LIBO Screen Rate for the shortest period (for which the LIBO Screen Rate is available for the applicable currency) that exceeds the Impacted Interest Period, in each case, at such time; provided that if any Interpolated Rate shall be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

“ Investment ” means, as to any Person, any direct or indirect acquisition or investment by such Person (including as a Division Successor pursuant to a Division), whether by means of (a) the purchase or other acquisition of Equity Interests of another Person, (b) a loan, advance or capital contribution to, Guarantee or assumption of debt of, or purchase or other acquisition of any other debt or equity participation or interest in, another Person, or (c) an Acquisition. For purposes of covenant compliance, the amount of any Investment shall be the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment.

“ Involuntary Disposition ” means any loss of, damage to or destruction of, or any condemnation or other taking for public use of, any property of any Loan Party or any Subsidiary.

“ IP Rights ” has the meaning specified in Section 3.17.

“ IRS ” means the United States Internal Revenue Service.

“ Issuing Bank ” means each of JPMorgan Chase Bank, N.A. and Bank of America, N.A., each in its capacity as the issuer of Letters of Credit hereunder, and its successors in such capacity as provided in Section 2.06(i). Each Issuing Bank may, in its discretion, arrange for one or more Letters of Credit to be issued by Affiliates of the Issuing Bank, in which case the term “Issuing Bank” shall include any such Affiliate with respect to Letters of Credit issued by such Affiliate. Each reference herein to the “Issuing Bank” in connection with a Letter of Credit or other matter shall be deemed to be a reference to the relevant Issuing Bank with respect thereto, and, further, references herein to “the Issuing Bank” shall be deemed to refer to each of the Issuing Banks or the relevant Issuing Bank, as the context requires.

“ Joinder Agreement ” means a joinder agreement substantially in the form of Annex I attached to the Subsidiary Guaranty, executed and delivered by a Wholly-Owned Domestic Subsidiary in accordance with the provisions of Section 5.13.

“ Laws ” means, collectively, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

“ LC Collateral Account ” has the meaning assigned to such term in Section 2.06(j).

“ LC Disbursement ” means a payment made by an Issuing Bank pursuant to a Letter of Credit.

“ LC Exposure ” means, at any time, the sum of (a) the aggregate undrawn Dollar Amount of all outstanding Letters of Credit at such time plus (b) the aggregate Dollar Amount of all LC Disbursements that have not yet been reimbursed by or on behalf of the applicable Borrower at such time. The LC Exposure of any Lender at any time shall be its Applicable Percentage of the total LC Exposure at such time.

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“Lender Parent” means, with respect to any Lender, any Person as to which such Lender is, directly or indirectly, a subsidiary.

“Lenders” means the Persons listed on Schedule 2.01A and any other Person that shall have become a Lender hereunder pursuant to Section 2.20 or pursuant to an Assignment and Assumption or other documentation contemplated hereby, other than any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption or other documentation contemplated hereby. Unless the context otherwise requires, the term “Lenders” includes the Issuing Banks. For the avoidance of doubt, the term “Lenders” excludes the Departing Lender.

“Letter of Credit” means any letter of credit issued pursuant to this Agreement.

“Letter of Credit Agreement” has the meaning assigned to such term in Section 2.06(b).

“Letter of Credit Commitment” means, with respect to each Issuing Bank, the commitment of such Issuing Bank to issue Letters of Credit hereunder. The initial amount of each Issuing Bank’s Letter of Credit Commitment is set forth on Schedule 2.01B, or if an Issuing Bank has entered into an Assignment and Assumption, the amount set forth for such Issuing Bank as its Letter of Credit Commitment in the Register maintained by the Administrative Agent. Notwithstanding the foregoing, each Issuing Bank may, in its sole discretion, issue Letters of Credit to the Borrowers in excess of its Letter of Credit Commitment provided that the Dollar Amount of the LC Exposure shall not exceed \$10,000,000.

“LIBO Rate” means, with respect to any Eurocurrency Borrowing denominated in any Agreed Currency and for any Interest Period, the LIBO Screen Rate at approximately 11:00 a.m., London time, on the Quotation Day for such Agreed Currency; provided that if the LIBO Screen Rate shall not be available at such time for such Interest Period (an “Impacted Interest Period”) with respect to such Agreed Currency then the LIBO Rate shall be the Interpolated Rate.

“LIBO Screen Rate” means, for any day and time, with respect to any Eurocurrency Borrowing denominated in any Agreed Currency and for any Interest Period, the London interbank offered rate as administered by ICE Benchmark Administration (or any other Person that takes over the administration of such rate) for such Agreed Currency for a period equal in length to such Interest Period as displayed on such day and time on pages LIBOR01 or LIBOR02 of the Reuters screen that displays such rate (or, in the event such rate does not appear on a Reuters page or screen, on any successor or substitute page on such screen that displays such rate, or on the appropriate page of such other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion); provided that if the LIBO Screen Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

“Lien” means any mortgage, pledge, hypothecation, deposit arrangement, encumbrance, lien (statutory or otherwise), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any financing lease having substantially the same economic effect as any of the foregoing).

“Limited Conditionality Acquisition” means any Permitted Acquisition for which the Company has determined, in good faith, that limited conditionality is reasonably necessary.

“Limited Conditionality Acquisition Agreement” means, with respect to any Limited Conditionality Acquisition, the definitive acquisition documentation in respect thereof.

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“LLC” means any Person that is a limited liability company under the laws of its jurisdiction of formation.

“Loan Documents” means this Agreement, any promissory notes issued pursuant to Section 2.10(e) of this Agreement, any Letter of Credit applications, any Letter of Credit Agreement and any agreements between any Borrower and an Issuing Bank regarding such Issuing Bank’s Letter of Credit Commitment or the respective rights and obligations between such Borrower and such Issuing Bank in connection with the issuance of Letters of Credit, the Collateral Documents, the Subsidiary Guaranty, and all other agreements, instruments, documents and certificates identified in Section 4.01 executed and delivered to, or in favor of, the Administrative Agent or any Lenders and including all other pledges, powers of attorney, consents, assignments, contracts, notices, letter of credit agreements and all other written matter whether heretofore, now or hereafter executed by or on behalf of any Loan Party, or any employee of any Loan Party, and delivered to the Administrative Agent or any Lender in connection with this Agreement. Any reference in this Agreement or any other Loan Document to a Loan Document shall include all appendices, exhibits or schedules thereto, and all amendments, restatements, supplements or other modifications thereto, and shall refer to this Agreement or such Loan Document as the same may be in effect at any and all times such reference becomes operative. “Loan Documents” shall not include Banking Services Agreements or Swap Contracts.

“Loan Parties” means, collectively, the Borrowers and the Subsidiary Guarantors.

“Loans” means the loans made by the Lenders to the Borrowers pursuant to this Agreement.

“Local Time” means (i) New York City time in the case of a Loan, Borrowing or LC Disbursement denominated in Dollars and (ii) local time in the case of a Loan, Borrowing or LC Disbursement denominated in a Foreign Currency (it being understood that such local time shall mean London, England time unless otherwise notified by the Administrative Agent).

“Material Adverse Effect” means (a) a material adverse change in, or a material adverse effect upon, the business, assets, liabilities, operations or financial condition of the Company and its Subsidiaries taken as a whole; (b) a material impairment of the rights and remedies of the Administrative Agent or the Lenders under any Loan Document or of the ability of any Loan Party to perform its material obligations under any Loan Document to which it is a party; or (c) a material adverse effect upon the legality, validity, binding effect or enforceability against any Loan Party of any Loan Document to which it is a party.

“Material Foreign Subsidiary” means any direct (“first-tier”) Foreign Subsidiary of any Loan Party that is not an Immaterial Foreign Subsidiary.

“Maturity Date” means November 14, 2023; provided, however, if such date is not a Business Day, the Maturity Date shall be the next preceding Business Day.

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

“Mortgages” means the mortgages, deeds of trust or deeds to secure debt that purport to grant to the Administrative Agent a security interest in the fee interests of any Loan Party in any real property.

“Multiemployer Plan” means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which the Company or any ERISA Affiliate makes or is obligated to make contributions, or with respect to which the Company or any ERISA Affiliate has any liability.

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“ Multiple Employer Plan ” means a Plan which has two or more contributing sponsors (including the Company or any ERISA Affiliate) at least two of whom are not under common control, as such a plan is described in Section 4064 of ERISA.

“ Non-Extension Notice Date ” has the meaning assigned to such term in Section 2.06(c)(B).

“ NYFRB ” means the Federal Reserve Bank of New York.

“ NYFRB Rate ” means, for any day, the greater of (a) the Federal Funds Effective Rate in effect on such day and (b) the Overnight Bank Funding Rate in effect on such day (or for any day that is not a Business Day, for the immediately preceding Business Day); provided that if none of such rates are published for any day that is a Business Day, the term “NYFRB Rate” means the rate for a federal funds transaction quoted at 11:00 a.m., New York City time, on such day received by the Administrative Agent from a federal funds broker of recognized standing selected by it; provided, further, that if any of the aforesaid rates as so determined would be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

“ Obligations ” means all unpaid principal of and accrued and unpaid interest on the Loans, all LC Exposure, all accrued and unpaid fees and all expenses, reimbursements, indemnities and other obligations and indebtedness (including interest and fees accruing during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), obligations and liabilities of any of the Company and its Subsidiaries to any of the Lenders, the Administrative Agent, any Issuing Bank or any indemnified party, individually or collectively, existing on the Effective Date or arising thereafter, direct or indirect, joint or several, absolute or contingent, matured or unmatured, liquidated or unliquidated, secured or unsecured, arising by contract, operation of law or otherwise, arising or incurred under this Agreement or any of the other Loan Documents or to the Lenders or any of their Affiliates under any Swap Contract or any Banking Services Agreement or in respect of any of the Loans made or reimbursement or other obligations incurred or any of the Letters of Credit or other instruments at any time evidencing any thereof; provided that the definition of “Obligations” shall not create or include any guarantee by any Loan Party of (or grant of security interest by any Loan Party to support, as applicable) any Excluded Swap Obligations of such Loan Party for purposes of determining any obligations of any Loan Party.

“ OFAC ” means the Office of Foreign Assets Control of the U.S. Department of the Treasury.

“ Organization Documents ” means, (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction); (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement; and (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization of such entity.

“ Other Connection Taxes ” means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising solely from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan, Letter of Credit or Loan Document).

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“ Other Taxes ” means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.19).

“ Overnight Bank Funding Rate ” means, for any day, the rate comprised of both overnight federal funds and overnight eurodollar borrowings by U.S.-managed banking offices of depository institutions, as such composite rate shall be determined by the NYFRB as set forth on its public website from time to time, and published on the next succeeding Business Day by the NYFRB as an overnight bank funding rate.

“ Overnight Foreign Currency Rate ” means, for any amount payable in a Foreign Currency, the rate of interest per annum as determined by the Administrative Agent at which overnight or weekend deposits in the relevant currency (or if such amount due remains unpaid for more than three (3) Business Days, then for such other period of time as the Administrative Agent may elect) for delivery in immediately available and freely transferable funds would be offered by the Administrative Agent to major banks in the interbank market upon request of such major banks for the relevant currency as determined above and in an amount comparable to the unpaid principal amount of the related Credit Event, plus any taxes, levies, imposts, duties, deductions, charges or withholdings imposed upon, or charged to, the Administrative Agent by any relevant correspondent bank in respect of such amount in such relevant currency.

“ Participant ” has the meaning assigned to such term in Section 9.04.

“ Participant Register ” has the meaning assigned to such term in Section 9.04(c).

“ Participating Member State ” means any member state of the European Union that adopts or has adopted the euro as its lawful currency in accordance with legislation of the European Union relating to economic and monetary union.

“ Patriot Act ” means the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)).

“ PBGC ” means the Pension Benefit Guaranty Corporation or any successor thereto.

“ Pension Funding Rules ” means the rules of the Internal Revenue Code and ERISA regarding minimum required contributions (including any installment payment thereof) to Pension Plans and set forth in Sections 412, 430, 431, 432 and 436 of the Internal Revenue Code and Sections 302, 303, 304 and 305 of ERISA.

“ Pension Plan ” means any employee pension benefit plan (excluding a Multiple Employer Plan and a Multiemployer Plan) that is maintained or is contributed to by the Company and any ERISA Affiliate and is either covered by Title IV of ERISA or is subject to the minimum funding standards under Section 412 of the Internal Revenue Code.

“ Permitted Acquisition ” means an Investment consisting of an Acquisition by the Company or any of its Wholly-Owned Subsidiaries, provided that (a) the property acquired (or the property of the Person acquired) in such Acquisition is reasonably related to the business conducted by the Loan Parties and their Subsidiaries on the Effective Date or any reasonable extensions or expansions thereof, (b) in the case of an Acquisition of the Equity Interests of another Person, the board of directors (or other comparable governing body) of such other Person shall have duly approved such Acquisition, (c) the Company shall have delivered

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to the Administrative Agent a Pro Forma Compliance Certificate demonstrating that, upon giving effect to such Acquisition, the Loan Parties would be in compliance with the financial covenants set forth in Section 6.11 on a Pro Forma Basis, (d) the representations and warranties made by the Loan Parties in each Loan Document shall be true and correct in all material respects at and as if made as of the date of such Acquisition (after giving effect thereto), (e) if such transaction involves the purchase of an interest in a partnership between any Loan Party as a general partner and entities unaffiliated with the Company as the other partners, such transaction shall be effected by having such equity interest acquired by a corporate holding company directly or indirectly wholly-owned by such Loan Party newly formed for the sole purpose of effecting such transaction, and (f) either (i) the Consolidated Leverage Ratio, calculated on a Pro Forma Basis after giving effect to such Acquisition, is equal to or less than 2.50 to 1.00 (or equal to or less than 2.75 to 1.00 if the Company has made an election for an Adjusted Covenant Period in connection with such Acquisition), or (ii) the aggregate cash and non-cash consideration (including any assumption of Indebtedness, deferred purchase price, any Earn-Outs and Equity Interests issued) paid by the Company and its Subsidiaries for all such Acquisitions occurring during any fiscal year of the Company shall not exceed \$10,000,000.

“Permitted Holders” means General Atlantic Partners 79, L.P., Quadrangle Capital Partners II LP and their respective Affiliates (that are not portfolio companies).

“Permitted Liens” means, at any time, Liens in respect of property of any Loan Party or any Subsidiary permitted to exist at such time pursuant to the terms of Section 6.01.

“Permitted Transfers” means (a) Dispositions of inventory in the ordinary course of business; (b) Dispositions of machinery and equipment no longer used or useful in the conduct of business of the Company and its Subsidiaries that are Disposed of in the ordinary course of business; (c) Dispositions of property to the Company or any Subsidiary; provided, that if the transferor of such property is a Loan Party either (i) the transferee thereof must be a Loan Party or (ii) to the extent such transaction constitutes an Investment, such transaction is permitted under Section 6.02; (d) Dispositions of accounts receivable in connection with the collection or compromise thereof; (e) licenses, sublicenses, leases or subleases granted to others not interfering in any material respect with the business of the Company and its Subsidiaries; (f) the use, transfer, sale or disposition of cash or Cash Equivalents for fair market value in the ordinary course of business and not otherwise prohibited by the Loan Documents; and (g) the termination of leases, subleases, licenses and sublicenses in the ordinary course of business.

“Person” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

“Plan” means any “employee benefit plan” (as such term is defined in Section 3(3) of ERISA) established by the Company or, with respect to any such plan that is subject to Section 412, Section 430 or Section 431 of the Internal Revenue Code or Title IV of ERISA, any ERISA Affiliate.

“Plan Asset Regulations” means 29 CFR § 2510.3-101 *et seq.*, as modified by Section 3(42) of ERISA, as amended from time to time.

“Pounds Sterling” means the lawful currency of the United Kingdom.

“Prime Rate” means the rate of interest last quoted by The Wall Street Journal as the “Prime Rate” in the U.S. or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the “bank prime loan” rate or, if such rate is no longer quoted therein, any similar rate quoted therein (as determined by the

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Administrative Agent) or any similar release by the Board (as determined by the Administrative Agent). Each change in the Prime Rate shall be effective from and including the date such change is publicly announced or quoted as being effective.

“Pro Forma Basis” means, with respect to any transaction, such transaction shall be deemed to have occurred as of the first day of the most recent four fiscal quarter period preceding the date of such transaction for which financial statements were required to be delivered pursuant to Section 5.01(a) or 5.01(b). In connection with the foregoing, (a) with respect to any Disposition or Involuntary Disposition, (i) income statement and cash flow statement items (whether positive or negative) attributable to the property disposed of shall be excluded to the extent relating to any period occurring prior to the date of such transaction and (ii) Indebtedness which is retired shall be excluded and deemed to have been retired as of the first day of the applicable period and (b) with respect to any Acquisition, (i) income statement and cash flow statement items attributable to the Person or property acquired shall be included to the extent relating to any period applicable in such calculations to the extent (A) such items are not otherwise included in such income and cash flow statement items for the Company and its Subsidiaries in accordance with GAAP or in accordance with any defined terms set forth in Section 1.01 and (B) such items are supported by financial statements or other information reasonably satisfactory to the Administrative Agent and (ii) any Indebtedness incurred or assumed by any Loan Party or any Subsidiary (including the Person or property acquired) in connection with such transaction and any Indebtedness of the Person or property acquired which is not retired in connection with such transaction (A) shall be deemed to have been incurred as of the first day of the applicable period and (B) if such Indebtedness has a floating or formula rate, shall have an implied rate of interest for the applicable period for purposes of this definition determined by utilizing the rate which is or would be in effect with respect to such Indebtedness as at the relevant date of determination.

“Pro Forma Compliance Certificate” means a certificate of a Responsible Officer of the Company containing reasonably detailed calculations of the financial covenants set forth in Section 6.11 as of the end of the period of the four fiscal quarters most recently ended for which the Company has delivered financial statements pursuant to Section 5.01(a) or 5.01(b) after giving effect to the applicable transaction on a Pro Forma Basis.

“PTE” means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

“Public Lender” has the meaning specified in Section 5.02.

“Quotation Day” means, with respect to any Eurocurrency Borrowing for any Interest Period, (i) if the currency is Pounds Sterling, the first day of such Interest Period, (ii) if the currency is euro, the day that is two (2) TARGET2 Days before the first day of such Interest Period, and (iii) for any other currency, two Business Days prior to the commencement of such Interest Period (unless, in each case, market practice differs in the relevant market where the LIBO Rate for such currency is to be determined, in which case the Quotation Day will be determined by the Administrative Agent in accordance with market practice in such market (and if quotations would normally be given on more than one day, then the Quotation Day will be the last of those days)).

“Recipient” means (a) the Administrative Agent, (b) any Lender and (c) any Issuing Bank, as applicable.

“Reference Bank Rate” means the arithmetic mean of the rates (rounded upwards to four decimal places) supplied to the Administrative Agent at its request by the Reference Banks (as the case may be) as of the applicable time on the Quotation Day for Loans in the applicable currency and the applicable Interest

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Period as the rate at which the relevant Reference Bank could borrow funds in the London (or other applicable) interbank market in the relevant currency and for the relevant period, were it to do so by asking for and then accepting interbank offers in reasonable market size in that currency and for that period.

“Reference Banks” means such banks as may be appointed by the Administrative Agent in consultation with the Company. No Lender shall be obligated to be a Reference Bank without its consent.

“Register” has the meaning assigned to such term in Section 9.04(b).

“Related Parties” means, with respect to any specified Person, such Person’s Affiliates and the respective directors, officers, employees, agents, advisors and representatives of such Person and of such Person’s Affiliates.

“Reorganization” means, with respect to any Multiemployer Plan, the condition that such plan is in reorganization within the meaning of Section 4241 of ERISA, as in effect for plan years beginning before January 1, 2015, prior to repeal by the Multiemployer Pension Reform Act of 2014, Public Law No. 113-235.

“Reportable Event” means any of the events set forth in Section 4043(c) of ERISA, other than events for which the thirty-day notice period has been waived.

“Required Lenders” means, subject to Section 2.23, at any time, Lenders having Revolving Credit Exposures and unused Commitments representing more than 50% of the sum of the total Revolving Credit Exposures and unused Commitments at such time.

“Responsible Officer” means the chief executive officer, vice president, president, chief financial officer, treasurer, assistant treasurer or controller of a Loan Party, and solely for purposes of the delivery of incumbency certificates pursuant to Section 4.01, the secretary or any assistant secretary of a Loan Party and, solely for purposes of notices given pursuant to Article II, any other officer or employee of the applicable Borrower so designated by any of the foregoing officers in a written notice to the Administrative Agent. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

“Restricted Payment” means any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interests of any Person, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, defeasance, acquisition, cancellation or termination of any such Equity Interests or on account of any return of capital to such Person’s stockholders, partners or members (or the equivalent Person thereof), or any option, warrant or other right to acquire any such dividend or other distribution or payment.

“Revolving Credit Exposure” means, with respect to any Lender at any time, the sum of the outstanding principal amount of such Lender’s Revolving Loans and its LC Exposure at such time.

“Revolving Loan” means a Loan made pursuant to Section 2.01.

“S&P” means Standard & Poor’s Rating Services, a Standard & Poor’s Financial Services LLC business.

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“Sale and Leaseback Transaction” means, with respect to any Loan Party or any Subsidiary, any arrangement, directly or indirectly, with any Person whereby such Loan Party or such Subsidiary shall sell or transfer any property used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease such property or other property that it intends to use for substantially the same purpose or purposes as the property being sold or transferred.

“Sanctioned Country” means, at any time, a country, region or territory which is itself the subject or target of any Sanctions (at the time of this Agreement, Crimea, Cuba, Iran, North Korea and Syria).

“Sanctioned Person” means, at any time, (a) any Person listed in any Sanctions-related lists of designated Persons maintained by OFAC, the U.S. Department of State, the United Nations Security Council, the European Union or any European Union member state, Her Majesty’s Treasury of the United Kingdom or other relevant sanctions authority having jurisdiction or authority over the Company or any of its Subsidiaries, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person owned or controlled by any such Person or Persons described in the foregoing clauses (a) or (b).

“Sanctions” means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by OFAC or the U.S. Department of State or (b) the United Nations Security Council, the European Union or any European Union member state, Her Majesty’s Treasury of the United Kingdom or other relevant sanctions authority having jurisdiction or authority over the Company or any of its Subsidiaries.

“SEC” means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

“Secured Obligations” means all Obligations, together with all Swap Obligations and Banking Services Obligations owing to one or more Lenders or their respective Affiliates; provided that the definition of “Secured Obligations” shall not create or include any guarantee by any Loan Party of (or grant of security interest by any Loan Party to support, as applicable) any Excluded Swap Obligations of such Loan Party for purposes of determining any obligations of any Loan Party.

“Secured Parties” means the holders of the Secured Obligations from time to time and shall include (i) each Lender and each Issuing Bank in respect of its Loans and LC Exposure respectively, (ii) the Administrative Agent, the Issuing Banks and the Lenders in respect of all other present and future obligations and liabilities of the Company and each Subsidiary of every type and description arising under or in connection with this Agreement or any other Loan Document, (iii) each Lender and affiliate of such Lender in respect of Swap Contracts and Banking Services Agreements entered into with such Person by the Company or any Subsidiary, (iv) each indemnified party under Section 9.03 in respect of the obligations and liabilities of the Borrowers to such Person hereunder and under the other Loan Documents, and (v) their respective successors and (in the case of a Lender, permitted) transferees and assigns.

“Securitization Transaction” means, with respect to any Person, any financing transaction or series of financing transactions (including factoring arrangements) pursuant to which such Person or any Subsidiary of such Person may sell, convey or otherwise transfer, or grant a security interest in, accounts, payments, receivables, rights to future lease payments or residuals or similar rights to payment to a special purpose subsidiary or affiliate of such Person.

“Security Agreement” means the Second Amended and Restated Security and Pledge Agreement in the form of Exhibit H, dated as of the Effective Date, executed in favor of the Administrative Agent by each of the Loan Parties.

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“Solvent” or “Solvency” means, with respect to any Person as of a particular date, that on such date (a) such Person is able to pay its debts and other liabilities, contingent obligations and other commitments as they mature, (b) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person’s ability to pay such debts and liabilities as they mature, (c) such Person is not engaged in a business or a transaction, and is not about to engage in a business or a transaction, for which such Person’s property would constitute unreasonably small capital, (d) the fair value of the property of such Person is greater than the total amount of liabilities, including contingent liabilities, of such Person and (e) the present fair salable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured. The amount of contingent liabilities at any time shall be computed as the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

“Specified Swap Obligation” means, with respect to any Loan Party, any obligation to pay or perform under any agreement, contract or transaction that constitutes a “swap” within the meaning of Section 1a(47) of the Commodity Exchange Act or any rules or regulations promulgated thereunder.

“Statutory Reserve Rate” means a fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one minus the aggregate of the maximum reserve, liquid asset, fees or similar requirements (including any marginal, special, emergency or supplemental reserves or other requirements) established by any central bank, monetary authority, the Board, the Financial Conduct Authority, the Prudential Regulation Authority, the European Central Bank or other Governmental Authority for any category of deposits or liabilities customarily used to fund loans in the applicable currency, expressed in the case of each such requirement as a decimal. Such reserve, liquid asset, fees or similar requirements shall include those imposed pursuant to Regulation D of the Board. Eurocurrency Loans shall be deemed to be subject to such reserve, liquid asset, fee or similar requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under any applicable law, rule or regulation, including Regulation D of the Board. The Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in any reserve, liquid asset or similar requirement.

“Subordinated Debt” means unsecured Indebtedness of a Loan Party which is expressly subordinated in right of payment to the prior payment-in-full of the Obligations pursuant to a subordination agreement or other subordination provisions, and containing such other payment terms, covenants, defaults and remedies, that are satisfactory to the Administrative Agent.

“Subsidiary” of a Person means a corporation, partnership, joint venture, limited liability company or other business entity of which a majority of the shares of Voting Stock is at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise specified, all references herein to a “Subsidiary” or to “Subsidiaries” shall refer to a Subsidiary or Subsidiaries of the Company.

“Subsidiary Guarantor” means each Wholly-Owned Domestic Subsidiary of the Company that is party to the Subsidiary Guaranty and each other Wholly-Owned Domestic Subsidiary that joins as a Guarantor pursuant to Section 5.13 or otherwise, together with their successors and permitted assigns.

“Subsidiary Guaranty” means that certain Second Amended and Restated Guaranty in the form of Exhibit I dated as of the Effective Date (including any and all supplements thereto) and executed by each Subsidiary Guarantor party thereto, as amended, restated, supplemented or otherwise modified from time to time.

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“ Swap Contract ” means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a “ Master Agreement ”), including any such obligations or liabilities under any Master Agreement.

“ Swap Obligations ” means any and all obligations of the Company or any Subsidiary, whether absolute or contingent and howsoever and whensoever created, arising, evidenced or acquired (including all renewals, extensions and modifications thereof and substitutions therefor), under (a) any and all Swap Contracts permitted hereunder with a Lender or an Affiliate of a Lender, and (b) any and all cancellations, buy backs, reversals, terminations or assignments of any such Swap Contract transaction.

“ Swap Termination Value ” means, in respect of any one or more Swap Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts, (a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) determined in accordance therewith, such termination value(s) and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Swap Contracts, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Contracts (which may include a Lender or any Affiliate of a Lender).

“ Synthetic Lease ” means any synthetic lease, tax retention operating lease, off-balance sheet loan or similar off-balance sheet financing arrangement whereby the arrangement is considered borrowed money indebtedness for tax purposes but is classified as an operating lease or does not otherwise appear on a balance sheet under GAAP.

“ TARGET2 ” means the Trans-European Automated Real-time Gross Settlement Express Transfer ( TARGET2 ) payment system (or, if such payment system ceases to be operative, such other payment system (if any) reasonably determined by the Administrative Agent to be a suitable replacement) for the settlement of payments in euro.

“ TARGET2 Day ” means a day that TARGET2 is open for the settlement of payments in euro.

“ Taxes ” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“ Threshold Amount ” means \$7,500,000.

“ Transactions ” means the execution, delivery and performance by the Loan Parties of this Agreement and the other Loan Documents, the borrowing of Loans and other credit extensions, the use of the proceeds thereof and the issuance of Letters of Credit hereunder.

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“Type”, when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the Adjusted LIBO Rate or the Alternate Base Rate.

“UCC” means the Uniform Commercial Code as in effect from time to time in the State of New York or any other state the laws of which are required to be applied in connection with the issue of perfection of security interests.

“Unliquidated Obligations” means, at any time, any Secured Obligations (or portion thereof) that are contingent in nature or unliquidated at such time, including any Secured Obligation that is: (i) an obligation to reimburse a bank for drawings not yet made under a letter of credit issued by it; (ii) any other obligation (including any guarantee) that is contingent in nature at such time; or (iii) an obligation to provide collateral to secure any of the foregoing types of obligations.

“U.S. Person” means a “United States person” within the meaning of Section 7701(a)(30) of the Code.

“U.S. Tax Compliance Certificate” has the meaning assigned to such term in Section 2.17(f)(ii)(B)(3).

“Voting Stock” means, with respect to any Person, Equity Interests issued by such Person the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or persons performing similar functions) of such Person, even though the right so to vote has been suspended by the happening of such a contingency.

“Wholly Owned Domestic Subsidiary” means any Domestic Subsidiary that is a Wholly Owned Subsidiary.

“Wholly Owned Subsidiary” means any Person 100% of whose Equity Interests are at the time owned by the Company directly or indirectly through other Persons 100% of whose Equity Interests are at the time owned, directly or indirectly, by the Company, except to qualify directors where required by applicable Law or to satisfy other requirements of applicable Law with respect to the ownership of Equity Interests of Foreign Subsidiaries.

“Withholding Agent” means any Loan Party and the Administrative Agent.

“Write-Down and Conversion Powers” means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

SECTION 1.02 Classification of Loans and Borrowings. For purposes of this Agreement, Loans may be classified and referred to by Type ( e.g., a “Eurocurrency Loan”). Borrowings also may be classified and referred to by Type ( e.g., a “Eurocurrency Borrowing”).

SECTION 1.03 Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “will” shall be construed to have the same meaning and effect as the word “shall”. The word “law” shall be construed as

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referring to all statutes, rules, regulations, codes and other laws (including official rulings and interpretations thereunder having the force of law or with which affected Persons customarily comply), and all judgments, orders and decrees, of all Governmental Authorities. Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, supplemented or otherwise modified (subject to any restrictions on such amendments, restatements, supplements or modifications set forth herein), (b) any definition of or reference to any statute, rule or regulation shall be construed as referring thereto as from time to time amended, supplemented or otherwise modified (including by succession of comparable successor laws), (c) any reference herein to any Person shall be construed to include such Person's successors and assigns (subject to any restrictions on assignment set forth herein) and, in the case of any Governmental Authority, any other Governmental Authority that shall have succeeded to any or all functions thereof, (d) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (e) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, (f) any reference to any law, rule or regulation herein shall, unless otherwise specified, refer to such law, rule or regulation as amended, modified or supplemented from time to time, (g) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights and (h) any reference herein to a merger, transfer, consolidation, amalgamation, consolidation, assignment, sale, disposition or transfer, or similar term, shall be deemed to apply to a division of or by a limited liability company, or an allocation of assets to a series of a limited liability company (or the unwinding of such a division or allocation), as if it were a merger, transfer, consolidation, amalgamation, consolidation, assignment, sale or transfer, or similar term, as applicable, to, of or with a separate Person, and any division of a limited liability company shall constitute a separate Person hereunder (and each division of any limited liability company that is a Subsidiary, joint venture or any other like term shall also constitute such a Person or entity).

SECTION 1.04 Accounting Terms: GAAP. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; provided that, if the Company notifies the Administrative Agent that the Company requests an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies the Company that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith. Notwithstanding any other provision contained herein, (a) all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made (i) without giving effect to any election under Accounting Standards Codification 825-10-25 (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any Indebtedness or other liabilities of the Company or any Subsidiary at "fair value", as defined therein and (ii) without giving effect to any treatment of Indebtedness in respect of convertible debt instruments under Accounting Standards Codification 470-20 (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any such Indebtedness in a reduced or bifurcated manner as described therein, and such Indebtedness shall at all times be valued at the full stated principal amount thereof and (b) any treatment of any lease (or similar arrangement conveying the right to use) as a capital lease where such lease (or similar arrangement) would not have been required to be so treated under GAAP as in effect on the Effective Date, as a result of the effectiveness of the Financial Accounting Standards Board Accounting Standards

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Codification 842 (or any other Accounting Standards Codification having a similar result or effect) (and related interpretations).

SECTION 1.05 Amendment and Restatement of Existing Credit Agreement. The parties to this Agreement agree that, upon (i) the execution and delivery by each of the parties hereto of this Agreement and (ii) satisfaction of the conditions set forth in Section 4.01, the terms and provisions of the Existing Credit Agreement shall be and hereby are amended, superseded and restated in their entirety by the terms and provisions of this Agreement. This Agreement is not intended to and shall not constitute a novation. All “Loans” made and “Secured Obligations” incurred under the Existing Credit Agreement which are outstanding on the Effective Date shall continue as Loans and Secured Obligations under (and shall be governed by the terms of) this Agreement and the other Loan Documents. Without limiting the foregoing, upon the effectiveness hereof: (a) all references in the “Loan Documents” (as defined in the Existing Credit Agreement) to the “Administrative Agent”, the “Credit Agreement” and the “Loan Documents” shall be deemed to refer to the Administrative Agent, this Agreement and the Loan Documents, (b) all obligations constituting “Secured Obligations” with any Lender or any Affiliate of any Lender which are outstanding on the Effective Date shall continue as Secured Obligations under this Agreement and the other Loan Documents, (c) the Administrative Agent shall make such reallocations, sales, assignments or other relevant actions in respect of each Lender’s credit exposure under the Existing Credit Agreement as are necessary in order that each such Lender’s Revolving Credit Exposure and outstanding Loans hereunder reflects such Lender’s Applicable Percentage of the outstanding aggregate Revolving Credit Exposures on the Effective Date, (d) the Existing Loans of the Departing Lender shall be repaid in full (accompanied by any accrued and unpaid interest and fees thereon), the Departing Lender’s “Commitment” under the Existing Credit Agreement shall be terminated and the Departing Lender shall not be a Lender hereunder (provided, however, that the Departing Lender shall continue to be entitled to the benefits of Sections 2.15, 2.16, 2.17 and 9.03) and (e) the Borrowers hereby agree to compensate each Lender (and the Departing Lender) for any and all losses, costs and expenses incurred by such Lender in connection with the sale and assignment of any Eurocurrency Loans (including the “Eurocurrency Loans” under the Existing Credit Agreement) and such reallocation (and any repayment or prepayment of the Departing Lender’s Loan) described above, in each case on the terms and in the manner set forth in Section 2.16 hereof.

SECTION 1.06 Interest Rates; LIBOR Notification. The interest rate on Eurocurrency Loans is determined by reference to the LIBO Rate, which is derived from the London interbank offered rate. The London interbank offered rate is intended to represent the rate at which contributing banks may obtain short-term borrowings from each other in the London interbank market. In July 2017, the U.K. Financial Conduct Authority announced that, after the end of 2021, it would no longer persuade or compel contributing banks to make rate submissions to the ICE Benchmark Administration (together with any successor to the ICE Benchmark Administrator, the “IBA”) for purposes of the IBA setting the London interbank offered rate. As a result, it is possible that commencing in 2022, the London interbank offered rate may no longer be available or may no longer be deemed an appropriate reference rate upon which to determine the interest rate on Eurocurrency Loans. In light of this eventuality, public and private sector industry initiatives are currently underway to identify new or alternative reference rates to be used in place of the London interbank offered rate. In the event that the London interbank offered rate is no longer available or in certain other circumstances as set forth in Section 2.14(c) of this Agreement, such Section 2.14(c) provides a mechanism for determining an alternative rate of interest. The Administrative Agent will notify the Company, pursuant to Section 2.14, in advance of any change to the reference rate upon which the interest rate on Eurocurrency Loans is based. However, the Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to, the administration, submission or any other matter related to the London interbank offered rate or other rates in the definition of “LIBO Rate” or with respect to any alternative or successor rate thereto, or replacement rate thereof, including without limitation,

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whether the composition or characteristics of any such alternative, successor or replacement reference rate, as it may or may not be adjusted pursuant to Section 2.14(c), will be similar to, or produce the same value or economic equivalence of, the LIBO Rate or have the same volume or liquidity as did the London interbank offered rate prior to its discontinuance or unavailability.

## ARTICLE II

### The Credits

SECTION 2.01 Commitments. Prior to the Effective Date, certain loans were made to the Borrowers under the Existing Credit Agreement which remain outstanding as of the date of this Agreement (such outstanding loans being hereinafter referred to as the “Existing Loans”). Subject to the terms and conditions set forth in this Agreement, the Borrowers and each of the Lenders agree that on the Effective Date but subject to the reallocation and other transactions described in Section 1.05, the Existing Loans shall be reevidenced as Loans under this Agreement and the terms of the Existing Loans shall be restated in their entirety and shall be evidenced by this Agreement. Subject to the terms and conditions set forth herein, each Lender (severally and not jointly) agrees to make Revolving Loans to the Borrowers in Agreed Currencies from time to time during the Availability Period in an aggregate principal amount that will not result in (i) subject to Sections 2.04 and 2.11(b), the Dollar Amount of such Lender’s Revolving Credit Exposure exceeding such Lender’s Commitment, (ii) subject to Sections 2.04 and 2.11(b), the sum of the Dollar Amount of the total Revolving Credit Exposures exceeding the Aggregate Commitment or (iii) subject to Sections 2.04 and 2.11(b), the Dollar Amount of the total outstanding Revolving Loans and LC Exposure, in each case denominated in Foreign Currencies, exceeding the Foreign Currency Sublimit. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrowers may borrow, prepay and reborrow Revolving Loans.

SECTION 2.02 Loans and Borrowings. (a) Each Revolving Loan shall be made as part of a Borrowing consisting of Revolving Loans of the same Type made by the Lenders ratably in accordance with their respective Commitments. The failure of any Lender to make any Loan required to be made by it shall not relieve any other Lender of its obligations hereunder; provided that the Commitments of the Lenders are several and no Lender shall be responsible for any other Lender’s failure to make Loans as required.

Subject to Section 2.14, each Borrowing shall be comprised entirely of ABR Loans or Eurocurrency Loans as the relevant Borrower may request in accordance herewith; provided that each ABR Loan shall only be made in Dollars. Each Lender at its option may make any Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan (and in the case of an Affiliate, the provisions of Sections 2.14, 2.15, 2.16 and 2.17 shall apply to such Affiliate to the same extent as to such Lender); provided that any exercise of such option shall not affect the obligation of the relevant Borrower to repay such Loan in accordance with the terms of this Agreement.

(b) At the commencement of each Interest Period for any Eurocurrency Borrowing, such Borrowing shall be in an aggregate amount that is an integral multiple of \$500,000 (or, if such Borrowing is denominated in a Foreign Currency, 500,000 units of such currency) and not less than \$1,000,000 (or, if such Borrowing is denominated in a Foreign Currency, 1,000,000 units of such currency). At the time that each ABR Borrowing is made, such Borrowing shall be in an aggregate amount that is an integral multiple of \$500,000 and not less than \$1,000,000; provided that an ABR Borrowing may be in an aggregate amount that is equal to the entire unused balance of the Aggregate Commitment or that is required to finance the reimbursement of an LC Disbursement as contemplated by Section 2.06(e). Borrowings of more than one

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Type may be outstanding at the same time; provided that there shall not at any time be more than a total of ten (10) Eurocurrency Borrowings outstanding.

(c) Notwithstanding any other provision of this Agreement, no Borrower shall be entitled to request, or to elect to convert or continue, any Borrowing if the Interest Period requested with respect thereto would end after the Maturity Date.

SECTION 2.03 Requests for Borrowings. To request a Borrowing, the applicable Borrower, or the Company on behalf of the applicable Borrower, shall notify the Administrative Agent of such request (a) by irrevocable written notice (via a written Borrowing Request signed by the applicable Borrower, or the Company on behalf of the applicable Borrower) in the case of a Eurocurrency Borrowing, not later than 11:00 a.m., Local Time, three (3) Business Days (in the case of a Eurocurrency Borrowing denominated in Dollars) or by irrevocable written notice (via a written Borrowing Request signed by such Borrower, or the Company on its behalf) not later than 11:00 a.m., Local Time, four (4) Business Days (in the case of a Eurocurrency Borrowing denominated in a Foreign Currency), in each case before the date of the proposed Borrowing or (b) by irrevocable written notice (via a written Borrowing Request signed by such Borrower, or the Company on its behalf) in the case of an ABR Borrowing, not later than 11:00 a.m., New York City time, on the requested date of the proposed Borrowing. Each Borrowing Request shall specify the following information in compliance with Section 2.02:

- (i) the name of the applicable Borrower;
- (ii) the aggregate principal amount of the requested Borrowing;
- (iii) the date of such Borrowing, which shall be a Business Day;
- (iv) whether such Borrowing is to be an ABR Borrowing or a Eurocurrency Borrowing;
- (v) in the case of a Eurocurrency Borrowing, the Agreed Currency and initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term "Interest Period"; and
- (vi) the location and number of the applicable Borrower's account to which funds are to be disbursed, which shall comply with the requirements of Section 2.07.

If no election as to the Type of Borrowing is specified, then, in the case of a Borrowing denominated in Dollars, the requested Borrowing shall be an ABR Borrowing. If no Interest Period is specified with respect to any requested Eurocurrency Borrowing, then the relevant Borrower shall be deemed to have selected an Interest Period of one month's duration. Promptly following receipt of a Borrowing Request in accordance with this Section, the Administrative Agent shall advise each Lender of the details thereof and of the amount of such Lender's Loan to be made as part of the requested Borrowing.

SECTION 2.04 Determination of Dollar Amounts. The Administrative Agent will determine the Dollar Amount of:

- (a) any Loan denominated in a Foreign Currency, each of the following: (i) the date of the Borrowing of such Loan and (ii) each date of a conversation or continuation of such Loan pursuant to the terms of this Agreement,
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(b) any Letter of Credit denominated in a Foreign Currency, each of the following: (i) the date on which such Letter of Credit is issued, (ii) the first Business Day of each calendar month and (iii) the date of any amendment of such Letter of Credit that has the effect of increasing the face amount thereof, and

(c) any additional date as the Administrative Agent may determine at any time when an Event of Default exists.

Each day upon or as of which the Administrative Agent determines Dollar Amounts as described in the preceding clauses (a), (b) and (c) is herein described as a “Computation Date” with respect to each Credit Event for which a Dollar Amount is determined on or as of such day.

SECTION 2.05 [Intentionally Omitted].

SECTION 2.06 Letters of Credit. (a) General. Subject to the terms and conditions set forth herein, the Company may request the issuance of Letters of Credit denominated in Agreed Currencies as the applicant thereof for the support of its or its Subsidiaries’ obligations, in a form reasonably acceptable to the Administrative Agent and the relevant Issuing Bank, at any time and from time to time during the Availability Period. In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any Letter of Credit Agreement, the terms and conditions of this Agreement shall control. Notwithstanding anything herein to the contrary, no Issuing Bank shall have any obligation hereunder to issue, and shall not issue, any Letter of Credit the proceeds of which would be made available to any Person (i) to fund any activity or business of or with any Sanctioned Person, or in any country or territory that, at the time of such funding, is the subject of any Sanctions, (ii) in any manner that would result in a violation of any Sanctions by any party to this Agreement or (iii) in any manner that would result in a violation of one or more policies of the relevant Issuing Bank applicable to letters of credit generally. The Company unconditionally and irrevocably agrees that, in connection with any Letter of Credit issued for the support of any Subsidiary’s obligations as provided in the first sentence of this paragraph, the Company will be fully responsible for the reimbursement of LC Disbursements in accordance with the terms hereof, the payment of interest thereon and the payment of fees due under Section 2.12(b) to the same extent as if it were the sole account party in respect of such Letter of Credit (the Company hereby irrevocably waiving any defenses that might otherwise be available to it as a guarantor or surety of the obligations of such a Subsidiary that is an account party in respect of any such Letter of Credit).

(b) Notice of Issuance, Amendment, Renewal, Extension; Certain Conditions. To request the issuance of a Letter of Credit (or the amendment, renewal or extension of an outstanding Letter of Credit), the Company shall hand deliver or telecopy (or transmit by electronic communication, if arrangements for doing so have been approved by the relevant Issuing Bank) to the relevant Issuing Bank and the Administrative Agent (reasonably in advance of the requested date of issuance, amendment, renewal or extension, but in any event no less than three (3) Business Days) a notice requesting the issuance of a Letter of Credit, or identifying the Letter of Credit to be amended, renewed or extended, and specifying the date of issuance, amendment, renewal or extension (which shall be a Business Day), the date on which such Letter of Credit is to expire (which shall comply with paragraph (c) of this Section), the amount of such Letter of Credit, the Agreed Currency applicable thereto, the name and address of the beneficiary thereof and such other information as shall be necessary to prepare, amend, renew or extend such Letter of Credit. In addition, as a condition to any such Letter of Credit issuance, the Company shall have entered into a continuing agreement (or other letter of credit agreement) for the issuance of letters of credit and/or shall submit a letter of credit application, in each case, as required by the relevant Issuing Bank and using such Issuing Bank’s standard form (each, a “Letter of Credit Agreement”). A Letter of Credit shall be issued,

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amended, renewed or extended only if (and upon issuance, amendment, renewal or extension of each Letter of Credit the Company shall be deemed to represent and warrant that), after giving effect to such issuance, amendment, renewal or extension (i) subject to Sections 2.04 and 2.11(b), the Dollar Amount of the LC Exposure shall not exceed \$10,000,000, (ii) subject to Sections 2.04 and 2.11(b), the sum of (x) the aggregate undrawn amount of all outstanding Letters of Credit issued by any Issuing Bank at such time plus (y) the aggregate amount of all LC Disbursement made by such Issuing Bank that have not yet been reimbursed by or on behalf of the applicable Borrower at such time shall not exceed such Issuing Bank's Letter of Credit Commitment unless otherwise agreed by such Issuing Bank, (iii) subject to Sections 2.04 and 2.11(b), the sum of the Dollar Amount of the total Revolving Credit Exposures shall not exceed the Aggregate Commitment, (iv) the Dollar Amount of each Lender's Revolving Credit Exposure shall not exceed such Lender's Commitment and (v) subject to Sections 2.04 and 2.11(b), the Dollar Amount of the total outstanding Revolving Loans and LC Exposure, in each case denominated in Foreign Currencies, shall not exceed the Foreign Currency Sublimit. The Company may, at any time and from time to time, reduce the Letter of Credit Commitment of any Issuing Bank with the consent of such Issuing Bank; provided that the Borrower shall not reduce the Letter of Credit Commitment of any Issuing Bank if, after giving effect of such reduction, the conditions set forth in the immediately preceding clauses (i) through (v) shall not be satisfied. Within the foregoing limits, the Company's ability to obtain Letters of Credit shall be fully revolving, and accordingly the Company may, during the Availability Period, obtain Letters of Credit to replace Letters of Credit that have expired or that have been drawn upon and reimbursed.

(c) Expiration Date. (A) Each Letter of Credit shall expire at or prior to the close of business on the earlier of (i) subject to Section 2.06(c)(B), the date one year after the date of the issuance of such Letter of Credit (or, in the case of any renewal or extension thereof one year after such renewal or extension) and (ii) the date that is five (5) Business Days prior to the Maturity Date.

(B) If the Company so requests in any applicable Letter of Credit application, the relevant Issuing Bank will agree to issue a Letter of Credit that has automatic extension provisions (each, an "Auto-Extension Letter of Credit"); provided that any such Auto-Extension Letter of Credit must permit the relevant Issuing Bank to prevent any such extension at least once in each twelve-month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day (the "Non-Extension Notice Date") in each such twelve-month period to be agreed upon at the time such Letter of Credit is issued. Unless otherwise directed by the relevant Issuing Bank, the Company shall not be required to make a specific request to such Issuing Bank for any such extension. Once an Auto-Extension Letter of Credit has been issued, the Lenders shall be deemed to have authorized (but may not require) the relevant Issuing Bank to permit the extension of such Letter of Credit at any time to an expiry date not later than the date set forth in Section 2.06(c) provided, however, that such Issuing Bank shall not permit any such extension if (A) such Issuing Bank has determined that it would not be permitted, or would have no obligation, at such time to issue such Letter of Credit in its revised form (as extended) under the terms hereof (by reason of the provisions of Section 2.06(c) or otherwise), or (B) it has received notice (which may be by telephone or in writing) on or before the day that is seven Business Days before the Non-Extension Notice Date from the Administrative Agent, the Required Lenders or the Company that one or more of the applicable conditions specified in Section 4.02 is not then satisfied, and in each case directing such Issuing Bank not to permit such extension.

(d) Participations. By the issuance of a Letter of Credit (or an amendment to a Letter of Credit increasing the amount thereof) and without any further action on the part of the relevant Issuing Bank or the Lenders, the relevant Issuing Bank hereby grants to each Lender, and each Lender hereby acquires from the relevant Issuing Bank, a participation in such Letter of Credit equal to such Lender's Applicable

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Percentage of the aggregate amount available to be drawn under such Letter of Credit. In consideration and in furtherance of the foregoing, each Lender hereby absolutely and unconditionally agrees to pay to the Administrative Agent, for the account of the relevant Issuing Bank, such Lender's Applicable Percentage of each LC Disbursement made by such Issuing Bank and not reimbursed by the Company on the date due as provided in paragraph (e) of this Section, or of any reimbursement payment required to be refunded to the Company for any reason. Each Lender acknowledges and agrees that its obligation to acquire participations pursuant to this paragraph in respect of Letters of Credit is absolute and unconditional and shall not be affected by any circumstance whatsoever, including any amendment, renewal or extension of any Letter of Credit or the occurrence and continuance of a Default or reduction or termination of the Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever.

(e) Reimbursement. If the relevant Issuing Bank shall make any LC Disbursement in respect of a Letter of Credit, the Company shall reimburse such LC Disbursement by paying to the Administrative Agent in Dollars the Dollar Amount equal to such LC Disbursement, calculated as of the date such Issuing Bank made such LC Disbursement (or if such Issuing Bank shall so elect in its sole discretion by notice to the Company, in such other Agreed Currency which was paid by such Issuing Bank pursuant to such LC Disbursement in an amount equal to such LC Disbursement) not later than 12:00 noon, Local Time, on the Business Day immediately following the day that the Company receives such notice; provided that, the Company may, subject to the conditions to borrowing set forth herein, request in accordance with Section 2.03 that such payment be financed with (i) to the extent such LC Disbursement was made in Dollars, an ABR Borrowing or Eurocurrency Borrowing in Dollars in an amount equal to such LC Disbursement or (ii) to the extent such LC Disbursement was made in a Foreign Currency, a Eurocurrency Borrowing in such Foreign Currency in an amount equal to such LC Disbursement and, in each case, to the extent so financed, the Company's obligation to make such payment shall be discharged and replaced by the resulting ABR Borrowing or Eurocurrency Borrowing, as applicable, on the date such reimbursement is required to be made. If the Company fails to make such payment when due, the Administrative Agent shall notify each Lender of the applicable LC Disbursement, the payment then due from the Company in respect thereof and such Lender's Applicable Percentage thereof. Promptly following receipt of such notice, each Lender shall pay to the Administrative Agent its Applicable Percentage of the payment then due from the Company, in the same manner as provided in Section 2.07 with respect to Loans made by such Lender (and Section 2.07 shall apply, mutatis mutandis, to the payment obligations of the Lenders), and the Administrative Agent shall promptly pay to the relevant Issuing Bank the amounts so received by it from the Lenders. Promptly following receipt by the Administrative Agent of any payment from the Company pursuant to this paragraph, the Administrative Agent shall distribute such payment to the relevant Issuing Bank or, to the extent that Lenders have made payments pursuant to this paragraph to reimburse such Issuing Bank, then to such Lenders and relevant Issuing Bank as their interests may appear. Any payment made by a Lender pursuant to this paragraph to reimburse the relevant Issuing Bank for any LC Disbursement (other than the funding of ABR Revolving Loans or Eurocurrency Borrowings, as contemplated above) shall not constitute a Loan and shall not relieve the Company of its obligation to reimburse such LC Disbursement. If the Company's reimbursement of, or obligation to reimburse, any amounts in any Foreign Currency would subject the Administrative Agent, the relevant Issuing Bank or any Lender to any stamp duty, ad valorem charge or similar tax that would not be payable if such reimbursement were made or required to be made in Dollars, the Company shall, at its option, either (x) pay the amount of any such tax requested by the Administrative Agent, the relevant Issuing Bank or the relevant Lender or (y) reimburse each LC Disbursement made in such Foreign Currency in Dollars, in an amount equal to the Dollar Amount thereof calculated on the date such LC Disbursement is made.

(f) Obligations Absolute. The Company's obligation to reimburse LC Disbursements as provided in paragraph (e) of this Section shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever

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and irrespective of (i) any lack of validity or enforceability of any Letter of Credit, any Letter of Credit Agreement or this Agreement, or any term or provision therein or herein, (ii) any draft or other document presented under a Letter of Credit proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect, (iii) any payment by the relevant Issuing Bank under a Letter of Credit against presentation of a draft or other document that does not comply with the terms of such Letter of Credit, or (iv) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section, constitute a legal or equitable discharge of, or provide a right of setoff against, the Company's obligations hereunder. Neither the Administrative Agent, the Lenders nor the Issuing Banks, nor any of their Related Parties, shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit or any payment or failure to make any payment thereunder (irrespective of any of the circumstances referred to in the preceding sentence), or any error, omission, interruption, loss or delay in transmission or delivery of any draft, notice or other communication under or relating to any Letter of Credit (including any document required to make a drawing thereunder), any error in interpretation of technical terms or any consequence arising from causes beyond the control of the relevant Issuing Bank; provided that the foregoing shall not be construed to excuse the relevant Issuing Bank from liability to the Company to the extent of any direct damages (as opposed to special, indirect, consequential or punitive damages, claims in respect of which are hereby waived by the Company to the extent permitted by applicable law) suffered by the Company that are caused by such Issuing Bank's failure to exercise care when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof; provided further that anything contained herein to the contrary notwithstanding, the Company may have a claim against an Issuing Bank, and an Issuing Bank may be liable to the Company, to the extent of any direct, as opposed to consequential or exemplary, damages suffered by the Company which the Company proves were caused by such Issuing Bank's unlawful failure to pay under any Letter of Credit after the presentation to it by the beneficiary of a sight draft and certificate(s) strictly complying with the terms and conditions of a Letter of Credit. The parties hereto expressly agree that, in the absence of gross negligence or willful misconduct on the part of the relevant Issuing Bank (as finally determined by a court of competent jurisdiction), such Issuing Bank shall be deemed to have exercised care in each such determination. In furtherance of the foregoing and without limiting the generality thereof, the parties agree that, with respect to documents presented which appear on their face to be in substantial compliance with the terms of a Letter of Credit, each Issuing Bank may, in its sole discretion, either accept and make payment upon such documents without responsibility for further investigation, regardless of any notice or information to the contrary, or refuse to accept and make payment upon such documents if such documents are not in strict compliance with the terms of such Letter of Credit.

(g) Disbursement Procedures. Each Issuing Bank shall, promptly following its receipt thereof, examine all documents purporting to represent a demand for payment under a Letter of Credit. Each Issuing Bank shall promptly notify the Administrative Agent and the Company by telephone (confirmed by telecopy) of such demand for payment and whether such Issuing Bank has made or will make an LC Disbursement thereunder; provided that any failure to give or delay in giving such notice shall not relieve the Company of its obligation to reimburse such Issuing Bank and the Lenders with respect to any such LC Disbursement.

(h) Interim Interest. If any Issuing Bank shall make any LC Disbursement, then, unless the Company shall reimburse such LC Disbursement in full on the date such LC Disbursement is made, the unpaid amount thereof shall bear interest, for each day from and including the date such LC Disbursement is made to but excluding the date that the Company reimburses such LC Disbursement, at the rate per annum then applicable to ABR Revolving Loans (or in the case such LC Disbursement is denominated in a Foreign Currency, at the Overnight Foreign Currency Rate for such Agreed Currency plus the then effective Applicable Rate with respect to Eurocurrency Revolving Loans); provided that, if the Company fails to reimburse such

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LC Disbursement when due pursuant to paragraph (e) of this Section, then Section 2.13(c) shall apply. Interest accrued pursuant to this paragraph shall be for the account of the relevant Issuing Bank, except that interest accrued on and after the date of payment by any Lender pursuant to paragraph (e) of this Section to reimburse such Issuing Bank shall be for the account of such Lender to the extent of such payment.

(i) Replacement of Issuing Bank. (A) Any Issuing Bank may be replaced at any time by written agreement among the Company, the Administrative Agent, the replaced Issuing Bank and the successor Issuing Bank. The Administrative Agent shall notify the Lenders of any such replacement of the Issuing Bank. At the time any such replacement shall become effective, the Company shall pay all unpaid fees accrued for the account of the replaced Issuing Bank pursuant to Section 2.12(b). From and after the effective date of any such replacement, (i) the successor Issuing Bank shall have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit to be issued thereafter and (ii) references herein to the term "Issuing Bank" shall be deemed to refer to such successor or to any previous Issuing Bank, or to such successor and all previous Issuing Banks, as the context shall require. After the replacement of an Issuing Bank hereunder, the replaced Issuing Bank shall remain a party hereto and shall continue to have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit then outstanding and issued by it prior to such replacement, but shall not be required to issue additional Letters of Credit.

(B) Subject to the appointment and acceptance of a successor Issuing Bank, an Issuing Bank may resign as an Issuing Bank at any time upon thirty days' prior written notice to the Administrative Agent, the Company and the Lenders, in which case, such Issuing Bank shall be replaced in accordance with Section 2.06(i)(A) above.

(j) Cash Collateralization. If any Event of Default shall occur and be continuing, on the Business Day that the Company receives notice from the Administrative Agent at the request of the Required Lenders (or, if the maturity of the Loans has been accelerated, Lenders with LC Exposure representing greater than 50% of the total LC Exposure) demanding the deposit of cash collateral pursuant to this paragraph, the Company shall deposit in an account with the Administrative Agent, in the name of the Administrative Agent and for the benefit of the Lenders (the "LC Collateral Account"), an amount in cash equal to the Dollar Amount of the LC Exposure as of such date; provided that (i) the portions of such amount attributable to undrawn Foreign Currency Letters of Credit or LC Disbursements in a Foreign Currency that the Company is not late in reimbursing shall be deposited in the applicable Foreign Currencies in the actual amounts of such undrawn Letters of Credit and LC Disbursements and (ii) the obligation to deposit such cash collateral shall become effective immediately, and such deposit shall become immediately due and payable, without demand or other notice of any kind, upon the occurrence of any Event of Default with respect to the Company described in clause (f) or (g) of Article VII. For the purposes of this paragraph, the Dollar Amount of the Foreign Currency LC Exposure shall be calculated on the date notice demanding cash collateralization is delivered to the Company. The Company also shall deposit cash collateral pursuant to this paragraph as and to the extent required by Section 2.11(b). Such deposit shall be held by the Administrative Agent as collateral for the payment and performance of the Secured Obligations. The Administrative Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over such account and the Company hereby grants the Administrative Agent a security interest in the LC Collateral Account. Other than any interest earned on the investment of such deposits, which investments shall be made at the option and sole discretion of the Administrative Agent and at the Company's risk and expense, such deposits shall not bear interest. Interest or profits, if any, on such investments shall accumulate in such account. Moneys in such account shall be applied by the Administrative Agent to reimburse the relevant Issuing Bank for LC Disbursements for which it has not been reimbursed and, to the extent not so applied, shall be held for the satisfaction of the reimbursement obligations of the Company for the LC

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Exposure at such time or, if the maturity of the Loans has been accelerated (but subject to the consent of Lenders with LC Exposure representing greater than 50% of the total LC Exposure), be applied to satisfy other Secured Obligations. If the Company is required to provide an amount of cash collateral hereunder as a result of the occurrence of an Event of Default, such amount (to the extent not applied as aforesaid) shall be returned to the Company within three (3) Business Days after all Events of Default have been cured or waived.

(k) LC Exposure Determination. For all purposes of this Agreement, the amount of a Letter of Credit that, by its terms or the terms of any document related thereto, provides for one or more automatic increases in the stated amount thereof shall be deemed to be the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at the time of determination.

(l) Issuing Bank Agreements. Each Issuing Bank agrees that, unless otherwise requested by the Administrative Agent, such Issuing Bank shall report in writing to the Administrative Agent (i) on or prior to each Business Day on which such Issuing Bank expects to issue, amend, renew or extend any Letter of Credit, the date of such issuance, amendment, renewal or extension, and the aggregate face amount of the Letters of Credit to be issued, amended, renewed or extended by it and outstanding after giving effect to such issuance, amendment, renewal or extension occurred (and whether the amount thereof changed), (ii) on each Business Day on which such Issuing Bank pays any amount in respect of one or more drawings under Letters of Credit, the date of such payment(s) and the amount of such payment(s), (iii) on any Business Day on which the Borrower fails to reimburse any amount required to be reimbursed to such Issuing Bank on such day, the date of such failure and the amount and currency of such payment in respect of Letters of Credit and (iv) on any other Business Day, such other information as the Administrative Agent shall reasonably request.

SECTION 2.07 Funding of Borrowings. (a) Each Lender shall make each Loan to be made by it hereunder on the proposed date thereof solely by wire transfer of immediately available funds (i) in the case of Loans denominated in Dollars, by 12:00 noon, New York City time, to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders and (ii) in the case of each Loan denominated in a Foreign Currency, by 12:00 noon, Local Time, in the city of the Administrative Agent's Eurocurrency Payment Office for such currency and at such Eurocurrency Payment Office for such currency. The Administrative Agent will make such Loans available to the relevant Borrower by promptly crediting the amounts so received, in like funds, to (x) an account of the Company designated by the Company in the applicable Borrowing Request, in the case of Loans denominated in Dollars and (y) an account of such Borrower in the relevant jurisdiction and designated by such Borrower in the applicable Borrowing Request, in the case of Loans denominated in a Foreign Currency; provided that ABR Revolving Loans made to finance the reimbursement of an LC Disbursement as provided in Section 2.06(e) shall be remitted by the Administrative Agent to the relevant Issuing Bank.

(b) Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing (or in the case of an ABR Borrowing, prior to 12:00 noon, New York City time, on the date of such Borrowing) that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with paragraph (a) of this Section and may, in reliance upon such assumption, make available to the relevant Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and such Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such

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amount is made available to such Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of such Lender, the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation (including without limitation the Overnight Foreign Currency Rate in the case of Loans denominated in a Foreign Currency) or (ii) in the case of such Borrower, the interest rate applicable to ABR Loans. If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender's Loan included in such Borrowing.

SECTION 2.08 Interest Elections. (a) Each Borrowing initially shall be of the Type specified in the applicable Borrowing Request and, in the case of a Eurocurrency Borrowing, shall have an initial Interest Period as specified in such Borrowing Request. Thereafter, the relevant Borrower may elect to convert such Borrowing to a different Type or to continue such Borrowing and, in the case of a Eurocurrency Borrowing, may elect Interest Periods therefor, all as provided in this Section. A Borrower may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders holding the Loans comprising such Borrowing, and the Loans comprising each such portion shall be considered a separate Borrowing.

(b) To make an election pursuant to this Section, a Borrower, or the Company on its behalf, shall notify the Administrative Agent of such election (by irrevocable written notice via an Interest Election Request in a form approved by the Administrative Agent and signed by such Borrower, or the Company on its behalf) by the time that a Borrowing Request would be required under Section 2.03 if such Borrower were requesting a Borrowing of the Type resulting from such election to be made on the effective date of such election. Notwithstanding any contrary provision herein, this Section shall not be construed to permit any Borrower to (i) change the currency of any Borrowing, (ii) elect an Interest Period for Eurocurrency Loans that does not comply with Section 2.02(d) or (iii) convert any Borrowing to a Borrowing of a Type not available under such Borrowing.

(c) Each Interest Election Request shall specify the following information in compliance with Section 2.02:

(i) the name of the applicable Borrower and the Borrowing to which such Interest Election Request applies and, if different options are being elected with respect to different portions thereof, the portions thereof to be allocated to each resulting Borrowing (in which case the information to be specified pursuant to clauses (iii) and (iv) below shall be specified for each resulting Borrowing);

(ii) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day;

(iii) whether the resulting Borrowing is to be an ABR Borrowing or a Eurocurrency Borrowing; and

(iv) if the resulting Borrowing is a Eurocurrency Borrowing, the Interest Period and Agreed Currency to be applicable thereto after giving effect to such election, which Interest Period shall be a period contemplated by the definition of the term "Interest Period".

If any such Interest Election Request requests a Eurocurrency Borrowing but does not specify an Interest Period, then the applicable Borrower shall be deemed to have selected an Interest Period of one month's duration.

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(d) Promptly following receipt of an Interest Election Request, the Administrative Agent shall advise each Lender of the details thereof and of such Lender's portion of each resulting Borrowing.

(e) If the relevant Borrower fails to deliver a timely Interest Election Request with respect to a Eurocurrency Borrowing prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein, at the end of such Interest Period (i) in the case of a Borrowing denominated in Dollars, such Borrowing shall be converted to an ABR Borrowing and (ii) in the case of a Borrowing denominated in a Foreign Currency in respect of which the applicable Borrower shall have failed to deliver an Interest Election Request prior to the third (3rd) Business Day preceding the end of such Interest Period, such Borrowing shall automatically continue as a Eurocurrency Borrowing in the same Agreed Currency with an Interest Period of one month unless such Eurocurrency Borrowing is or was repaid in accordance with Section 2.11. Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing and the Administrative Agent, at the request of the Required Lenders, so notifies the Company, then, so long as an Event of Default is continuing (i) no outstanding Borrowing denominated in Dollars may be converted to or continued as a Eurocurrency Borrowing, (ii) unless repaid, each Eurocurrency Borrowing denominated in Dollars shall be converted to an ABR Borrowing at the end of the Interest Period applicable thereto and (iii) unless repaid, each Eurocurrency Borrowing denominated in a Foreign Currency shall automatically be continued as a Eurocurrency Borrowing with an Interest Period of one month.

SECTION 2.09 Termination and Reduction of Commitments. (a) Unless previously terminated, the Commitments shall terminate on the Maturity Date.

(b) The Company may at any time terminate, or from time to time reduce, the Commitments; provided that (i) each reduction of the Commitments shall be in an amount that is an integral multiple of \$1,000,000 and not less than \$5,000,000 and (ii) the Company shall not terminate or reduce the Commitments if, after giving effect to any concurrent prepayment of the Loans in accordance with Section 2.11, the Dollar Amount of the sum of the Revolving Credit Exposures would exceed the Aggregate Commitment.

(c) The Company shall notify the Administrative Agent of any election to terminate or reduce the Commitments under paragraph (b) of this Section at least three (3) Business Days prior to the effective date of such termination or reduction, specifying such election and the effective date thereof. Promptly following receipt of any notice, the Administrative Agent shall advise the Lenders of the contents thereof. Each notice delivered by the Company pursuant to this Section shall be irrevocable; provided that a notice of termination of the Commitments delivered by the Company may state that such notice is conditioned upon the effectiveness of other credit facilities or other refinancing, in which case such notice may be revoked by the Company (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Any termination or reduction of the Commitments shall be permanent. Each reduction of the Commitments shall be made ratably among the Lenders in accordance with their respective Commitments.

SECTION 2.10 Repayment of Loans; Evidence of Debt. (a) Each Borrower hereby unconditionally promises to pay to the Administrative Agent for the account of each Lender the then unpaid principal amount of each Loan made to such Borrower on the Maturity Date in the currency of such Loan.

(b) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of each Borrower to such Lender resulting from each Loan made by

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such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(c) The Administrative Agent shall maintain accounts in which it shall record (i) the amount of each Loan made hereunder, Agreed Currency and Type thereof and the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from each Borrower to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof.

(d) The entries made in the accounts maintained pursuant to paragraph (b) or (c) of this Section shall be prima facie evidence of the existence and amounts of the obligations recorded therein; provided that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the Obligations.

(e) Any Lender may request that Loans made by it to any Borrower be evidenced by a promissory note. In such event, the relevant Borrower shall prepare, execute and deliver to such Lender a promissory note payable to such Lender (or, if requested by such Lender, to such Lender and its registered assigns) and in a form approved by the Administrative Agent. Thereafter, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 9.04) be represented by one or more promissory notes in such form.

#### SECTION 2.11 Prepayment of Loans.

(a) Any Borrower shall have the right at any time and from time to time to prepay any Borrowing in whole or in part without premium or penalty (but subject to the break funding payments required by Section 2.16), subject to prior notice in accordance with the provisions of this Section 2.11(a). The applicable Borrower, or the Company on behalf of the applicable Borrower, shall notify the Administrative Agent by written notice (promptly followed by telephonic confirmation of such request) of any prepayment hereunder (i) in the case of prepayment of a Eurocurrency Borrowing, not later than 11:00 a.m., Local Time, three (3) Business Days (in the case of a Eurocurrency Borrowing denominated in Dollars) or four (4) Business Days (in the case of a Eurocurrency Borrowing denominated in a Foreign Currency), in each case before the date of prepayment or (ii) in the case of prepayment of an ABR Borrowing, not later than 11:00 a.m., New York City time, on the date of the prepayment. Each such notice shall be irrevocable and shall specify the prepayment date and the principal amount of each Borrowing or portion thereof to be prepaid; provided that, if a notice of prepayment is given in connection with a conditional notice of termination of the Commitments as contemplated by Section 2.09, then such notice of prepayment may be revoked if such notice of termination is revoked in accordance with Section 2.09. Promptly following receipt of any such notice relating to a Borrowing, the Administrative Agent shall advise the Lenders of the contents thereof. Each partial prepayment of any Borrowing shall be in an amount that would be permitted in the case of an advance of a Borrowing of the same Type as provided in Section 2.02. Each prepayment of a Borrowing shall be applied ratably to the Loans included in the prepaid Borrowing. Prepayments shall be accompanied by (i) accrued interest to the extent required by Section 2.13 and (ii) break funding payments pursuant to Section 2.16.

(b) If at any time, (i) other than as a result of fluctuations in currency exchange rates, (A) the sum of the aggregate principal Dollar Amount of all of the Revolving Credit Exposures (calculated, with respect to those Credit Events denominated in Foreign Currencies, as of the most recent Computation Date with respect to each such Credit Event) exceeds the Aggregate Commitment or (B) the sum of the aggregate principal Dollar Amount of all of the outstanding Revolving Credit Exposures denominated in

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Foreign Currencies (the “Foreign Currency Exposure”) (so calculated), as of the most recent Computation Date with respect to each such Credit Event, exceeds the Foreign Currency Sublimit or (ii) solely as a result of fluctuations in currency exchange rates, (A) the sum of the aggregate principal Dollar Amount of all of the Revolving Credit Exposures (so calculated) exceeds 105% of the Aggregate Commitment or (B) the Foreign Currency Exposure, as of the most recent Computation Date with respect to each such Credit Event, exceeds 105% of the Foreign Currency Sublimit, the Borrowers shall in each case immediately repay Borrowings or cash collateralize LC Exposure in an account with the Administrative Agent pursuant to Section 2.06(j), as applicable, in an aggregate principal amount sufficient to cause (x) the aggregate Dollar Amount of all Revolving Credit Exposures (so calculated) to be less than or equal to the Aggregate Commitment and (y) the Foreign Currency Exposure to be less than or equal to the Foreign Currency Sublimit, as applicable.

SECTION 2.12 Fees. (a) The Company agrees to pay to the Administrative Agent for the account of each Lender a commitment fee, which shall accrue at the Applicable Rate on the daily amount of the Available Revolving Commitment of such Lender during the period from and including the Effective Date to but excluding the date on which such Commitment terminates. Commitment fees accrued through and including the last day of March, June, September and December of each year shall be payable in arrears on the fifteenth (15<sup>th</sup>) day following such last day and on the date on which the Commitments terminate, commencing on the first such date to occur after the date hereof. All commitment fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day).

(b) The Company agrees to pay (i) to the Administrative Agent for the account of each Lender a participation fee with respect to its participations in Letters of Credit, which shall accrue at the same Applicable Rate used to determine the interest rate applicable to Eurocurrency Revolving Loans on the average daily Dollar Amount of such Lender’s LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) during the period from and including the Effective Date to but excluding the later of the date on which such Lender’s Commitment terminates and the date on which such Lender ceases to have any LC Exposure and (ii) to the relevant Issuing Bank for its own account a fronting fee, which shall accrue at the rate of 0.125% per annum on the average daily Dollar Amount of the LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) attributable to Letters of Credit issued by such Issuing Bank during the period from and including the Effective Date to but excluding the later of the date of termination of the Commitments and the date on which there ceases to be any LC Exposure, as well as such Issuing Bank’s standard fees and commissions with respect to the issuance, amendment, cancellation, negotiation, transfer, presentment, renewal or extension of any Letter of Credit or processing of drawings thereunder. Participation fees and fronting fees accrued through and including the last day of March, June, September and December of each year shall be payable on the fifteenth (15<sup>th</sup>) day following such last day, commencing on the first such date to occur after the Effective Date; provided that all such fees shall be payable on the date on which the Commitments terminate and any such fees accruing after the date on which the Commitments terminate shall be payable on demand. Any other fees payable to any Issuing Bank pursuant to this paragraph shall be payable within ten (10) days following written invoice. All participation fees and fronting fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day). Participation fees and fronting fees in respect of Letters of Credit denominated in Dollars shall be paid in Dollars, and participation fees and fronting fees in respect of Letters of Credit denominated in a Foreign Currency shall be paid in such Foreign Currency.

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(c) The Company agrees to pay to the Administrative Agent, for its own account, fees payable in the amounts and at the times separately agreed upon between the Company and the Administrative Agent.

(d) All fees payable hereunder shall be paid on the dates due, in Dollars (except as otherwise expressly provided in this Section 2.12) and immediately available funds, to the Administrative Agent (or to each Issuing Bank, in the case of fees payable to it) for distribution, in the case of facility fees and participation fees, to the applicable Lenders. Fees paid shall not be refundable under any circumstances.

SECTION 2.13 Interest. (a) The Loans comprising each ABR Borrowing shall bear interest at the Alternate Base Rate plus the Applicable Rate.

(b) The Loans comprising each Eurocurrency Borrowing shall bear interest at the Adjusted LIBO Rate for the Interest Period in effect for such Borrowing plus the Applicable Rate.

(c) Notwithstanding the foregoing:

(i) during the occurrence and continuance of an Event of Default under any of clauses (a), (f), or (g) of Article VII, (x) all Loans shall bear interest at 2% plus the rate otherwise applicable to such Loans as provided in the preceding paragraphs of this Section or (y) in the case of any other amount outstanding hereunder, such amount shall accrue at 2% plus the rate applicable to ABR Loans as provided in paragraph (a) of this Section; and

(ii) during the occurrence and continuance of any other Event of Default, the Required Lenders may, at their option, by notice to the Company (which notice may be revoked at the option of the Required Lenders notwithstanding any provision of Section 9.02 requiring the consent of "each Lender directly affected thereby" for reductions in interest rates), declare that (x) all Loans shall bear interest at 2% plus the rate otherwise applicable to such Loans as provided in the preceding paragraphs of this Section or (y) in the case of any other amount outstanding hereunder, such amount shall accrue at 2% plus the rate applicable to ABR Loans as provided in paragraph (a) of this Section.

(d) Accrued interest on each Loan shall be payable in arrears on each Interest Payment Date for such Loan and upon termination of the Commitments; provided that (i) interest accrued pursuant to paragraph (c) of this Section shall be payable on demand, (ii) in the event of any repayment or prepayment of any Loan (other than a prepayment of an ABR Revolving Loan prior to the end of the Availability Period), accrued interest on the principal amount repaid or prepaid shall be payable on the date of such repayment or prepayment and (iii) in the event of any conversion of any Eurocurrency Loan prior to the end of the current Interest Period therefor, accrued interest on such Loan shall be payable on the effective date of such conversion.

(e) All interest hereunder shall be computed on the basis of a year of 360 days, except that interest (i) computed by reference to the Alternate Base Rate at times when the Alternate Base Rate is based on the Prime Rate shall be computed on the basis of a year of 365 days (or 366 days in a leap year) and (ii) for Borrowings denominated in Pounds Sterling shall be computed on the basis of a year of 365 days, and in each case shall be payable for the actual number of days elapsed (including the first day but excluding the last day). The applicable Alternate Base Rate, Adjusted LIBO Rate or LIBO Rate shall be determined by the Administrative Agent, and such determination shall be conclusive absent manifest error.

SECTION 2.14 Alternate Rate of Interest.

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(a) If at the time that the Administrative Agent shall seek to determine the LIBO Screen Rate on the Quotation Day for any Interest Period for a Eurocurrency Borrowing, the LIBO Screen Rate shall not be available for such Interest Period and/or for the applicable currency with respect to such Eurocurrency Borrowing for any reason, and the Administrative Agent shall reasonably determine that it is not possible to determine the Interpolated Rate (which conclusion shall be conclusive and binding absent manifest error), then the Reference Bank Rate shall be the LIBO Rate for such Interest Period for such Eurocurrency Borrowing; provided that if the Reference Bank Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement; provided, further, however, that if less than two Reference Banks shall supply a rate to the Administrative Agent for purposes of determining the LIBO Rate for such Eurocurrency Borrowing, (i) if such Borrowing shall be requested in Dollars, then such Borrowing shall be made as an ABR Borrowing at the Alternate Base Rate and (ii) if such Borrowing shall be requested in any Foreign Currency, the LIBO Rate shall be equal to the rate determined by the Administrative Agent in its reasonable discretion after consultation with the Company and consented to in writing by the Required Lenders (the “ Alternative Rate ”); provided, however, that until such time as the Alternative Rate shall be determined and so consented to by the Required Lenders, Borrowings shall not be available in such Foreign Currency. It is hereby understood and agreed that, notwithstanding anything to the foregoing set forth in this Section 2.14(a), if at any time the conditions set forth in Section 2.14(c)(i) or (ii) are in effect, the provisions of this Section 2.14(a) shall no longer be applicable for any purpose of determining any alternative rate of interest under this Agreement and Section 2.14(c) shall instead be applicable for all purposes of determining any alternative rate of interest under this Agreement.

(b) If prior to the commencement of any Interest Period for a Eurocurrency Borrowing:

(i) the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that adequate and reasonable means do not exist for ascertaining the Adjusted LIBO Rate or the LIBO Rate, as applicable (including because the LIBO Screen Rate is not available or published on a current basis), for the applicable currency and such Interest Period; or

(ii) the Administrative Agent is advised by the Required Lenders that the Adjusted LIBO Rate or the LIBO Rate, as applicable, for the applicable currency and such Interest Period will not adequately and fairly reflect the cost to such Lenders of making or maintaining their Loans included in such Borrowing for the applicable currency and such Interest Period;

then the Administrative Agent shall give notice thereof to the applicable Borrower and the Lenders by telephone or telecopy as promptly as practicable thereafter and, until the Administrative Agent notifies the applicable Borrower and the Lenders that the circumstances giving rise to such notice no longer exist, (i) any Interest Election Request that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a Eurocurrency Borrowing in the applicable currency or for the applicable Interest Period, as the case may be, shall be ineffective, (ii) if any Borrowing Request requests a Eurocurrency Borrowing in Dollars, such Borrowing shall be made as an ABR Borrowing and (iii) if any Borrowing Request requests a Eurocurrency Borrowing in a Foreign Currency, then the LIBO Rate for such Eurocurrency Borrowing shall be the Alternative Rate; provided that if the circumstances giving rise to such notice affect only one Type of Borrowings, then the other Type of Borrowings shall be permitted.

(c) Notwithstanding the foregoing, if at any time the Administrative Agent determines (which determination shall be conclusive absent manifest error) that (i) the circumstances set forth in Section 2.14(b)(i) have arisen and such circumstances are unlikely to be temporary or (ii) the circumstances set forth in Section 2.14(b)(i) have not arisen but (w) the supervisor for the administrator of the LIBO Screen Rate

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has made a public statement that the administrator of the LIBO Screen Rate is insolvent (and there is no successor administrator that will continue publication of the LIBO Screen Rate), (x) the administrator of the LIBO Screen Rate has made a public statement identifying a specific date after which the LIBO Screen Rate will permanently or indefinitely cease to be published by it (and there is no successor administrator that will continue publication of the LIBO Screen Rate), (y) the supervisor for the administrator of the LIBO Screen Rate has made a public statement identifying a specific date after which the LIBO Screen Rate will permanently or indefinitely cease to be published or (z) the supervisor for the administrator of the LIBO Screen Rate or a Governmental Authority having jurisdiction over the Administrative Agent has made a public statement identifying a specific date after which the LIBO Screen Rate may no longer be used for determining interest rates for loans, then the Administrative Agent and the Company shall endeavor to establish an alternate rate of interest to the LIBO Rate that gives due consideration to the then prevailing market convention for determining a rate of interest for syndicated loans in the United States at such time, and shall enter into an amendment to this Agreement to reflect such alternate rate of interest and such other related changes to this Agreement as may be applicable (but for the avoidance of doubt, such related changes shall not include a reduction of the Applicable Rate); provided that, if such alternate rate of interest as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement. Notwithstanding anything to the contrary in Section 9.02, such amendment shall become effective without any further action or consent of any other party to this Agreement so long as the Administrative Agent shall not have received, within five (5) Business Days of the date notice of such alternate rate of interest is provided to the Lenders, a written notice from the Required Lenders stating that such Required Lenders object to such amendment. Until an alternate rate of interest shall be determined in accordance with this Section 2.14(c) (but, in the case of the circumstances described in clause (ii) of the first sentence of this Section 2.14(c), only to the extent the LIBO Screen Rate for the applicable currency and such Interest Period is not available or published at such time on a current basis), (x) any Interest Election Request that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a Eurocurrency Borrowing in the applicable currency or for the applicable Interest Period, as the case may be, shall be ineffective, (y) if any Borrowing Request requests a Eurocurrency Borrowing in Dollars, such Borrowing shall be made as an ABR Borrowing and (z) if any Borrowing Request requests a Eurocurrency Borrowing in a Foreign Currency, then such request shall be ineffective.

SECTION 2.15 Increased Costs. (a) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, liquidity or similar requirement (including any compulsory loan requirement, insurance charge or other assessment) against assets of, deposits with or for the account of, or credit extended by, any Lender (except any such reserve requirement reflected in the Adjusted LIBO Rate) or any Issuing Bank;

(ii) impose on any Lender or any Issuing Bank or the London interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement or Loans made by such Lender or any Letter of Credit or participation therein; or

(iii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes and (B) Excluded Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto;

and the result of any of the foregoing shall be to increase the cost to such Lender or such other Recipient of making, continuing, converting into or maintaining any Loan or of maintaining its obligation to make any such Loan or to increase the cost to such Lender, such Issuing Bank or such other Recipient of participating in, issuing or maintaining any Letter of Credit or to reduce the amount of any sum received or receivable by

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such Lender such the Issuing Bank or such other Recipient hereunder, whether of principal, interest or otherwise, then the applicable Borrower will pay to such Lender, such Issuing Bank or such other Recipient, as the case may be, such additional amount or amounts as will compensate such Lender, such Issuing Bank or such other Recipient, as the case may be, for such additional costs incurred or reduction suffered.

(b) If any Lender or any Issuing Bank determines that any Change in Law regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's or such Issuing Bank's capital or on the capital of such Lender's or such Issuing Bank's holding company, if any, as a consequence of this Agreement or the Loans made by, or participations in Letters of Credit held by, such Lender, or the Letters of Credit issued by such Issuing Bank, to a level below that which such Lender or such Issuing Bank or such Lender's or such Issuing Bank's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or such Issuing Bank's policies and the policies of such Lender's or such Issuing Bank's holding company with respect to capital adequacy and liquidity), then from time to time the applicable Borrower will pay to such Lender or such Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or such Issuing Bank or such Lender's or such Issuing Bank's holding company for any such reduction suffered.

(c) A certificate of a Lender or an Issuing Bank setting forth the amount or amounts necessary to compensate such Lender or such Issuing Bank or its holding company, as the case may be, as specified in paragraph (a) or (b) of this Section shall be delivered to the Company and shall be conclusive absent manifest error. The Company shall pay, or cause the other Borrowers to pay, such Lender or such Issuing Bank, as the case may be, the amount shown as due on any such certificate within ten (10) days after receipt thereof.

(d) Failure or delay on the part of any Lender or any Issuing Bank to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's or such Issuing Bank's right to demand such compensation; provided that the Company shall not be required to compensate a Lender or an Issuing Bank pursuant to this Section for any increased costs or reductions incurred more than 180 days prior to the date that such Lender or such Issuing Bank, as the case may be, notifies the Company of the Change in Law giving rise to such increased costs or reductions and of such Lender's or such Issuing Bank's intention to claim compensation therefor; provided further that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof.

SECTION 2.16 Break Funding Payments. In the event of (a) the payment of any principal of any Eurocurrency Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default or as a result of any prepayment pursuant to Section 2.11), (b) the conversion of any Eurocurrency Loan other than on the last day of the Interest Period applicable thereto, (c) the failure to borrow, convert, continue or prepay any Eurocurrency Loan on the date specified in any notice delivered pursuant hereto (regardless of whether such notice may be revoked under Section 2.11(a) and is revoked in accordance therewith) or (d) the assignment of any Eurocurrency Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Company pursuant to Section 2.19, then, in any such event, the Borrowers shall compensate each Lender for the loss, cost and expense attributable to such event (excluding any loss of anticipated profits). Such loss, cost or expense to any Lender shall be deemed to include an amount determined by such Lender to be the excess, if any, of (i) the amount of interest which would have accrued on the principal amount of such Loan had such event not occurred, at the Adjusted LIBO Rate that would have been applicable to such Loan, for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such

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Loan), over (ii) the amount of interest which would accrue on such principal amount for such period at the interest rate which such Lender would bid were it to bid, at the commencement of such period, for deposits in the relevant currency of a comparable amount and period from other banks in the eurocurrency market. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section shall be delivered to the applicable Borrower and shall be conclusive absent manifest error. The applicable Borrower shall pay such Lender the amount shown as due on any such certificate within ten (10) days after receipt thereof.

SECTION 2.17 Taxes. (a) Payments Free of Taxes. Any and all payments by or on account of any obligation of any Loan Party under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable Law. If any applicable Law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable Law and, if such Tax is an Indemnified Tax, then the sum payable by the applicable Loan Party shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section 2.17) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) Payment of Other Taxes by the Borrowers. The relevant Borrower shall timely pay to the relevant Governmental Authority in accordance with applicable Law, or at the option of the Administrative Agent timely reimburse it for, Other Taxes.

(c) Evidence of Payments. As soon as practicable after any payment of Taxes by any Loan Party to a Governmental Authority pursuant to this Section 2.17, such Loan Party shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(d) Indemnification by the Loan Parties. The Loan Parties shall indemnify each Recipient, within 10 days after written demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the relevant Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(e) Indemnification by the Lenders. Each Lender shall severally indemnify the Administrative Agent, within 10 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that any Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Parties to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 9.04(c) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such

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payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (e).

(f) Status of Lenders. (i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Company and to the Administrative Agent, at the time or times reasonably requested by the Company or the Administrative Agent, such properly completed and executed documentation prescribed by applicable Laws or by the taxing authorities of any jurisdiction and such other documentation reasonably requested by the Company or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Company or the Administrative Agent, shall deliver such other documentation prescribed by applicable Law or reasonably requested by the Company or the Administrative Agent as will enable the Company or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 2.17(f)(ii)(A), (ii)(B) and (ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(i) Without limiting the generality of the foregoing, in the event that any Borrower is a U.S. Person:

(A) any Lender or Administrative Agent that is a U.S. Person shall deliver to such Borrower and the Administrative Agent on or prior to the date on which such Lender or Administrative Agent becomes a Lender or Administrative Agent under this Agreement (and from time to time thereafter upon the reasonable request of such Borrower or the Administrative Agent), executed copies of IRS Form W-9 (or any successor form) certifying that such Lender or Administrative Agent is exempt from U.S. Federal backup withholding Tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to such Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of such Borrower or the Administrative Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable (or any successor form), establishing an exemption from, or reduction of, U.S. Federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable (or any successor form), establishing an exemption from, or reduction of, U.S. Federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

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(2) executed copies of IRS Form W-8ECI (or any successor form);

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit G-1 to the effect that such Foreign Lender is not a “bank” within the meaning of Section 881(c)(3)(A) of the Code, a “10 percent shareholder” of such Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a “controlled foreign corporation” described in Section 881(c)(3)(C) of the Code (a “U.S. Tax Compliance Certificate”) and (y) executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable (or any successor form); or

(4) to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS Form W-8IMY (or any successor form), accompanied by IRS Form W-8ECI, IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable, a U.S. Tax Compliance Certificate substantially in the form of Exhibit G-2 or Exhibit G-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit G-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to such Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of such Borrower or the Administrative Agent), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. Federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable Law to permit such Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. Federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to such Borrower and the Administrative Agent at the time or times prescribed by Law and at such time or times reasonably requested by such Borrower or the Administrative Agent such documentation prescribed by applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by such Borrower or the Administrative Agent as may be necessary for such Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender’s obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), “FATCA” shall include any amendments made to FATCA after the date of this Agreement.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Company and the Administrative Agent in writing of its legal inability to do so.

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(g) Treatment of Certain Refunds. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 2.17 (including by the payment of additional amounts pursuant to this Section 2.17), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section 2.17 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (g) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (g), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (g) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(h) Survival. Each party's obligations under this Section 2.17 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

(i) Defined Terms. For purposes of this Section 2.17, the term "Lender" includes the Issuing Banks.

(j) Certain FATCA Matters. For purposes of determining withholding Taxes imposed under FATCA, the Loan Parties and the Administrative Agent shall treat (and the Lenders hereby authorize the Administrative Agent to treat) this Agreement and the Loans as not qualifying as "grandfathered obligations" within the meaning of Treasury Regulation Section 1.1471-2(b)(2)(i).

**SECTION 2.18 Payments Generally; Allocations of Proceeds; Pro Rata Treatment; Sharing of Set-offs**.

(a) Each Borrower shall make each payment required to be made by it hereunder (whether of principal, interest, fees or reimbursement of LC Disbursements, or of amounts payable under Section 2.15, 2.16 or 2.17, or otherwise) prior to (i) in the case of payments denominated in Dollars, 2:00 p.m., New York City time and (ii) in the case of payments denominated in a Foreign Currency, 2:00 p.m., Local Time, in the city of the Administrative Agent's Eurocurrency Payment Office for such currency, in each case on the date when due, in immediately available funds, without set-off, recoupment or counterclaim. Any amounts received after such time on any date may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made (i) in the same currency in which the applicable Credit Event was made (or where such currency has been converted to euro, in euro) and (ii) to the Administrative Agent at its offices at 10 South Dearborn Street, Chicago, Illinois 60603 or, in the case of a Credit Event denominated in a Foreign Currency, the Administrative Agent's Eurocurrency Payment Office for such currency, except payments to be made directly to any Issuing Bank as expressly provided herein and except that payments pursuant to Sections 2.15, 2.16, 2.17 and 9.03 shall be made directly to the Persons entitled thereto. The

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Administrative Agent shall distribute any such payments denominated in the same currency received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. If any payment hereunder shall be due on a day that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. Notwithstanding the foregoing provisions of this Section, if, after the making of any Credit Event in any Foreign Currency, currency control or exchange regulations are imposed in the country which issues such currency with the result that the type of currency in which the Credit Event was made (the "Original Currency") no longer exists or any Borrower is not able to make payment to the Administrative Agent for the account of the Lenders in such Original Currency, then all payments to be made by such Borrower hereunder in such currency shall instead be made when due in Dollars in an amount equal to the Dollar Amount (as of the date of repayment) of such payment due, it being the intention of the parties hereto that the Borrowers take all risks of the imposition of any such currency control or exchange regulations.

(b) Any proceeds of Collateral received by the Administrative Agent (i) not constituting (A) a specific payment of principal, interest, fees or other sum payable under the Loan Documents (which shall be applied as specified by the Company) or (B) a mandatory prepayment (which shall be applied in accordance with Section 2.11) or (ii) after an Event of Default has occurred and is continuing and the Administrative Agent so elects or the Required Lenders so direct, shall be applied ratably first, to pay any fees, indemnities, or expense reimbursements including amounts then due to the Administrative Agent and the Issuing Banks from any Borrower, second, to pay any fees or expense reimbursements then due to the Lenders from any Borrower, third, to pay interest then due and payable on the Loans ratably, fourth, to prepay principal on the Loans and unreimbursed LC Disbursements and any other amounts owing with respect to Banking Services Obligations and Swap Obligations ratably, fifth, to pay an amount to the Administrative Agent equal to the aggregate undrawn face amount of all outstanding Letters of Credit and the aggregate amount of any unpaid LC Disbursements, to be held as cash collateral for such Obligations, sixth, to the payment of any other Secured Obligation due to the Administrative Agent or any Lender by any Borrower and seventh, the balance, if any, after all of the Secured Obligations have been paid in full, to the applicable Borrower or as otherwise required by Law. Notwithstanding the foregoing, amounts received from any Loan Party shall not be applied to any Excluded Swap Obligation of such Loan Party. Notwithstanding anything to the contrary contained in this Agreement, unless so directed by the Company, or unless a Default is in existence, none of the Administrative Agent or any Lender shall apply any payment which it receives to any Eurocurrency Loan, except (a) on the expiration date of the Interest Period applicable to any such Eurocurrency Loan or (b) in the event, and only to the extent, that there are no outstanding ABR Loans and, in any event, the Borrowers shall pay the break funding payment required in accordance with Section 2.16.

(c) At the election of the Administrative Agent, all payments of principal, interest, LC Disbursements, fees, premiums, reimbursable expenses (including, without limitation, all reimbursement for fees and expenses pursuant to Section 9.03), and other sums payable under the Loan Documents, may be paid from the proceeds of Borrowings made hereunder whether made following a request by a Borrower (or the Company on behalf of a Borrower) pursuant to Section 2.03 or may be deducted from any deposit account of such Borrower maintained with the Administrative Agent.

(d) If, except as expressly provided herein, any Lender shall, by exercising any right of set-off or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Revolving Loans or participations in LC Disbursements resulting in such Lender receiving payment of a greater proportion of the aggregate amount of its Revolving Loans and participations in LC Disbursements and accrued interest thereon than the proportion received by any other similarly situated Lender, then the Lender receiving such greater proportion shall purchase (for cash at face value) participations in the Revolving

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Loans and participations in LC Disbursements of other Lenders to the extent necessary so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Revolving Loans and participations in LC Disbursements; provided that (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest, and (ii) the provisions of this paragraph shall not be construed to apply to any payment made by any Borrower pursuant to and in accordance with the express terms of this Agreement or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or participations in LC Disbursements to any assignee or participant, other than to the Company or any Subsidiary or Affiliate thereof (as to which the provisions of this paragraph shall apply). Each Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Borrower rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Borrower in the amount of such participation.

(e) Unless the Administrative Agent shall have received notice from the relevant Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or the relevant Issuing Banks hereunder that such Borrower will not make such payment, the Administrative Agent may assume that such Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or the relevant Issuing Banks, as the case may be, the amount due. In such event, if such Borrower has not in fact made such payment, then each of the Lenders or the relevant Issuing Banks, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or such Issuing Bank with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the NYFRB Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation (including without limitation the Overnight Foreign Currency Rate in the case of Loans denominated in a Foreign Currency).

(f) If any Lender shall fail to make any payment required to be made by it pursuant to 2.06(d) or (e), 2.07(b), 2.18(e) or 9.03(c), then the Administrative Agent may, in its discretion (notwithstanding any contrary provision hereof), (i) apply any amounts thereafter received by the Administrative Agent for the account of such Lender and for the benefit of the Administrative Agent or the Issuing Banks to satisfy such Lender's obligations under such Sections until all such unsatisfied obligations are fully paid and/or (ii) hold any such amounts in a segregated account as cash collateral for, and application to, any future funding obligations of such Lender under such Sections; in the case of each of (i) and (ii) above, in any order as determined by the Administrative Agent in its discretion.

SECTION 2.19 Mitigation Obligations; Replacement of Lenders. (a) If any Lender requests compensation under Section 2.15, or if any Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.17, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 2.15 or 2.17, as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Company hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

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(b) If (i) any Lender requests compensation under Section 2.15, (ii) any Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.17 or (iii) any Lender becomes a Defaulting Lender, then the Company may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in Section 9.04), all its interests, rights (other than its existing rights to payments pursuant to Section 2.15 or 2.17) and obligations under the Loan Documents to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that (i) the Company shall have received the prior written consent of the Administrative Agent and the Issuing Banks, which consent shall not unreasonably be withheld, (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and participations in LC Disbursements, accrued interest thereon, accrued fees and all other amounts payable to it hereunder, from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Company (in the case of all other amounts) and (iii) in the case of any such assignment resulting from a claim for compensation under Section 2.15 or payments required to be made pursuant to Section 2.17, such assignment will result in a reduction in such compensation or payments. A Lender shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Company to require such assignment and delegation cease to apply. Each party hereto agrees that (a) an assignment required pursuant to this paragraph may be effected pursuant to an Assignment and Assumption executed by the Company, the Administrative Agent and the assignee (or, to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to an Approved Electronic Platform as to which the Administrative Agent and such parties are participants), and (b) the Lender required to make such assignment need not be a party thereto in order for such assignment to be effective and shall be deemed to have consented to and be bound by the terms thereof; provided that, following the effectiveness of any such assignment, the other parties to such assignment agree to execute and deliver such documents necessary to evidence such assignment as reasonably requested by the applicable Lender, provided that any such documents shall be without recourse to or warranty by the parties thereto.

SECTION 2.20 Expansion Option. The Company may from time to time elect to increase the Commitments or enter into one or more tranches of term loans (each an “Incremental Term Loan”), in each case in minimum increments of \$5,000,000 so long as, after giving effect thereto, the aggregate amount of such increases and all such Incremental Term Loans does not exceed \$50,000,000. The Company may arrange for any such increase or tranche to be provided by one or more Lenders (each Lender so agreeing to an increase in its Commitment, or to participate in such Incremental Term Loans, an “Increasing Lender”), or by one or more new banks, financial institutions or other entities (each such new bank, financial institution or other entity, an “Augmenting Lender”; provided that no Ineligible Institution may be an Augmenting Lender), which agree to increase their existing Commitments, or to participate in such Incremental Term Loans, or extend Commitments, as the case may be; provided that (i) each Augmenting Lender, shall be subject to the approval of the Company and the Administrative Agent and (ii) (x) in the case of an Increasing Lender, the Company and such Increasing Lender execute an agreement substantially in the form of Exhibit C hereto, and (y) in the case of an Augmenting Lender, the Company and such Augmenting Lender execute an agreement substantially in the form of Exhibit D hereto. No consent of any Lender (other than the Lenders participating in the increase or any Incremental Term Loan) shall be required for any increase in Commitments or Incremental Term Loan pursuant to this Section 2.20. Increases and new Commitments and Incremental Term Loans created pursuant to this Section 2.20 shall become effective on the date agreed by the Company, the Administrative Agent and the relevant Increasing Lenders or Augmenting Lenders, and the Administrative Agent shall notify each Lender thereof. Notwithstanding the foregoing, no increase in the Commitments (or in the Commitment of any Lender) or tranche of Incremental Term Loans shall become effective under this paragraph unless, (i) on the proposed date of the effectiveness of such increase or Incremental Term

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Loans, (A) the conditions set forth in paragraphs (a) and (b) of Section 4.02 shall be satisfied or waived by the Required Lenders and the Administrative Agent shall have received a certificate to that effect dated such date and executed by a Financial Officer of the Company and (B) the Company shall be in compliance (on a pro forma basis) with the covenants contained in Section 6.11 and (ii) the Administrative Agent shall have received documents consistent with those delivered on the Effective Date as to the corporate power and authority of the Borrowers to borrow hereunder after giving effect to such increase; provided that, with respect to any Incremental Term Loans incurred for the primary purpose of financing a Limited Conditionality Acquisition (“Acquisition-Related Incremental Term Loans”), (x) clause (i)(A) of this sentence shall be deemed to have been satisfied so long as (1) as of the date of execution of the related Limited Conditionality Acquisition Agreement by the parties thereto, no Default shall have occurred and be continuing or would result from entry into such documentation, (2) as of the date of the borrowing of such Acquisition-Related Incremental Term Loans, no Event of Default under clause (a), (f) or (g) of Article VII is in existence immediately before or after giving effect (including on a pro forma basis) to such borrowing and to any concurrent transactions and any substantially concurrent use of proceeds thereof, (3) the representations and warranties set forth in Article III shall be true and correct in all material respects (or in all respects if the applicable representation or warranty is qualified by materiality or Material Adverse Effect) as of the date of execution of the applicable Limited Conditionality Acquisition Agreement by the parties thereto, except to the extent any such representations or warranties are expressly limited to an earlier date, in which case such representations and warranties shall be true and correct in all material respects (or in all respects if the applicable representation or warranty is qualified by materiality or Material Adverse Effect) as of such specified earlier date and (4) as of the date of the borrowing of such Acquisition-Related Incremental Term Loans, customary “Sungard” representations and warranties (with such representations and warranties to be reasonably determined by the Lenders providing such Acquisition-Related Incremental Term Loans) shall be true and correct in all material respects (or in all respects if the applicable representation or warranty is qualified by materiality or Material Adverse Effect) immediately prior to, and after giving effect to, the incurrence of such Acquisition-Related Incremental Term Loans, except to the extent any such representations or warranties are expressly limited to an earlier date, in which case such representations and warranties shall be true and correct in all material respects (or in all respects if the applicable representation or warranty is qualified by materiality or Material Adverse Effect) as of such specified earlier date and (y) clause (i)(B) of this sentence shall be deemed to have been satisfied so long as the Company shall be in compliance (on a pro forma basis) with the covenants contained in Section 6.11 as of the date of execution of the related Limited Conditionality Acquisition Agreement by the parties thereto. On the effective date of any increase in the Commitments or any Incremental Term Loans being made, (i) each relevant Increasing Lender and Augmenting Lender shall make available to the Administrative Agent such amounts in immediately available funds as the Administrative Agent shall determine, for the benefit of the other Lenders, as being required in order to cause, after giving effect to such increase and the use of such amounts to make payments to such other Lenders, each Lender’s portion of the outstanding Revolving Loans of all the Lenders to equal its Applicable Percentage of such outstanding Revolving Loans, and (ii) the Borrowers shall be deemed to have repaid and reborrowed all outstanding Revolving Loans as of the date of any increase in the Commitments (with such reborrowing to consist of the Types of Revolving Loans, with related Interest Periods if applicable, specified in a notice delivered by the applicable Borrower, or the Company on behalf of the applicable Borrower, in accordance with the requirements of Section 2.03). The deemed payments made pursuant to clause (ii) of the immediately preceding sentence shall be accompanied by payment of all accrued interest on the amount prepaid and, in respect of each Eurocurrency Loan, shall be subject to indemnification by the Borrowers pursuant to the provisions of Section 2.16 if the deemed payment occurs other than on the last day of the related Interest Periods. The Incremental Term Loans (a) shall rank pari passu in right of payment with the Revolving Loans, (b) shall not mature earlier than the Maturity Date (but may have amortization prior to such date) and (c) shall be subject to representations and warranties, covenants, events of default and other terms substantially identical to (and in any event no more favorable to the

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Incremental Term Loans than) those applicable to the Revolving Loans; provided that (i) the terms and conditions applicable to any tranche of Incremental Term Loans maturing after the Maturity Date may provide for material additional or different financial or other covenants or prepayment requirements applicable only during periods after the Maturity Date and (ii) the Incremental Term Loans may be priced differently than the Revolving Loans. Incremental Term Loans may be made hereunder pursuant to an amendment or restatement (an “Incremental Term Loan Amendment”) of this Agreement and, as appropriate, the other Loan Documents, executed by the Borrowers, each Increasing Lender participating in such tranche, each Augmenting Lender participating in such tranche, if any, and the Administrative Agent. The Incremental Term Loan Amendment may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent, to effect the provisions of this Section 2.20. Nothing contained in this Section 2.20 shall constitute, or otherwise be deemed to be, a commitment on the part of any Lender to increase its Commitment hereunder, or provide Incremental Term Loans, at any time.

SECTION 2.21 [Intentionally Omitted].

SECTION 2.22 Judgment Currency. If for the purposes of obtaining judgment in any court it is necessary to convert a sum due from any Borrower hereunder in the currency expressed to be payable herein (the “specified currency”) into another currency, the parties hereto agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the specified currency with such other currency at the Administrative Agent’s main New York City office on the Business Day preceding that on which final, non-appealable judgment is given. The obligations of each Borrower in respect of any sum due to any Lender or the Administrative Agent hereunder shall, notwithstanding any judgment in a currency other than the specified currency, be discharged only to the extent that on the Business Day following receipt by such Lender or the Administrative Agent (as the case may be) of any sum adjudged to be so due in such other currency such Lender or the Administrative Agent (as the case may be) may in accordance with normal, reasonable banking procedures purchase the specified currency with such other currency. If the amount of the specified currency so purchased is less than the sum originally due to such Lender or the Administrative Agent, as the case may be, in the specified currency, each Borrower agrees, to the fullest extent that it may effectively do so, as a separate obligation and notwithstanding any such judgment, to indemnify such Lender or the Administrative Agent, as the case may be, against such loss, and if the amount of the specified currency so purchased exceeds (a) the sum originally due to any Lender or the Administrative Agent, as the case may be, in the specified currency and (b) any amounts shared with other Lenders as a result of allocations of such excess as a disproportionate payment to such Lender under Section 2.18, such Lender or the Administrative Agent, as the case may be, agrees to remit such excess to such Borrower.

SECTION 2.23 Defaulting Lenders. Notwithstanding any provision of this Agreement to the contrary, if any Lender becomes a Defaulting Lender, then the following provisions shall apply for so long as such Lender is a Defaulting Lender:

(a) fees shall cease to accrue on the unfunded portion of the Commitment of such Defaulting Lender pursuant to Section 2.12(a);

(b) the Commitment and Revolving Credit Exposure of such Defaulting Lender shall not be included in determining whether the Required Lenders have taken or may take any action hereunder (including any consent to any amendment, waiver or other modification pursuant to Section 9.02); provided, that any amendment, waiver or other modification requiring the consent of all Lenders or all Lenders directly

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affected thereby shall not, except as otherwise provided in Section 9.02, require the consent of such Defaulting Lender in accordance with the terms hereof;

(c) if any LC Exposure exists at the time such Lender becomes a Defaulting Lender then:

(i) all or any part of the LC Exposure of such Defaulting Lender shall be reallocated among the non-Defaulting Lenders in accordance with their respective Applicable Percentages but only to the extent that the sum of all non-Defaulting Lenders' Revolving Credit Exposures plus such Defaulting Lender's LC Exposure does not exceed the total of all non-Defaulting Lenders' Commitments;

(ii) if the reallocation described in clause (i) above cannot, or can only partially, be effected, the Company shall within one (1) Business Day following notice by the Administrative Agent cash collateralize for the benefit of each Issuing Bank only, the Borrowers' obligations corresponding to such Defaulting Lender's LC Exposure (after giving effect to any partial reallocation pursuant to clause (i) above) in accordance with the procedures set forth in Section 2.06(j) for so long as such LC Exposure is outstanding;

(iii) if the Company cash collateralizes any portion of such Defaulting Lender's LC Exposure pursuant to clause (ii) above, the Borrowers shall not be required to pay any fees to such Defaulting Lender pursuant to Section 2.12(b) with respect to such Defaulting Lender's LC Exposure during the period such Defaulting Lender's LC Exposure is cash collateralized;

(iv) if the LC Exposure of the non-Defaulting Lenders is reallocated pursuant to clause (i) above, then the fees payable to the Lenders pursuant to Section 2.12(a) and Section 2.12(b) shall be adjusted in accordance with such non-Defaulting Lenders' Applicable Percentages; and

(v) if all or any portion of such Defaulting Lender's LC Exposure is neither reallocated nor cash collateralized pursuant to clause (i) or (ii) above, then, without prejudice to any rights or remedies of the relevant Issuing Bank or any other Lender hereunder, all letter of credit fees payable under Section 2.12(b) with respect to such Defaulting Lender's LC Exposure shall be payable to the Issuing Bank until and to the extent that such LC Exposure is reallocated and/or cash collateralized; and

(d) so long as such Lender is a Defaulting Lender, the relevant Issuing Bank shall not be required to issue, amend or increase any Letter of Credit, unless it is reasonably satisfied that the related exposure and the Defaulting Lender's then outstanding LC Exposure will be 100% covered by the Commitments of the non-Defaulting Lenders and/or cash collateral will be provided by the Company in accordance with Section 2.23(c), and participating interests in any newly issued or increased Letter of Credit shall be allocated among non-Defaulting Lenders in a manner consistent with Section 2.23(c)(i) (and such Defaulting Lender shall not participate therein).

If (i) a Bankruptcy Event or a Bail-In Action with respect to a Lender Parent shall occur following the date hereof and for so long as such event shall continue or (ii) any Issuing Bank has a good faith belief that any Lender has defaulted in fulfilling its obligations under one or more other agreements in which such Lender commits to extend credit, no Issuing Bank shall be required to issue, amend or increase any Letter of Credit, unless such Issuing Bank shall have entered into arrangements with the Company or such Lender, satisfactory to such Issuing Bank to defease any risk to it in respect of such Lender hereunder.

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In the event that the Administrative Agent, the Company and each Issuing Bank each agrees that a Defaulting Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender, then (i) the LC Exposure of the Lenders shall be readjusted to reflect the inclusion of such Lender's Commitment and on such date such Lender shall purchase at par such of the Loans of the other Lenders as the Administrative Agent shall determine may be necessary in order for such Lender to hold such Loans in accordance with its Applicable Percentage and (ii) so long as no Event of Default has occurred and is continuing, all funds held as cash collateral pursuant to Section 2.23(c)(ii) shall thereafter be promptly returned to the Company. If the Commitments have been terminated, and all other Obligations have been paid in full and no Letters of Credit are outstanding, then so long as no Event of Default has occurred and is then continuing, all funds held as cash collateral pursuant to Section 2.23(c)(ii) shall thereafter be promptly returned to the Company.

### ARTICLE III

#### Representations and Warranties

Each Borrower represents and warrants to the Lenders that:

##### SECTION 3.01 Existence, Qualification and Power.

Each Loan Party and each Subsidiary (a) is duly organized or formed, validly existing and, as applicable, in good standing under the Laws of the jurisdiction of its incorporation or organization, (b) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to (i) own or lease its assets and carry on its business and (ii) execute, deliver and perform its obligations under the Loan Documents to which it is a party, and (c) is duly qualified and is licensed and, as applicable, in good standing under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification or license; except in each case referred to in clause (b)(i) or (c), to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

##### SECTION 3.02 Authorization; No Contravention.

The execution, delivery and performance by each Loan Party of each Loan Document to which such Person is party have been duly authorized by all necessary corporate or other organizational action, and do not (a) contravene the terms of any of such Person's Organization Documents; (b) conflict with or result in any breach or contravention of, or the creation of any Lien under, or require any payment to be made under (i) any material Contractual Obligation to which such Person is a party or affecting such Person or the properties of such Person or any of its Subsidiaries or (ii) any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Person or its property is subject; or (c) violate any material Law.

##### SECTION 3.03 Governmental Authorization; Other Consents.

No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with the execution, delivery or performance by, or enforcement against, any Loan Party of this Agreement or any other Loan Document other than (a) those that have already been obtained and are in full force and effect and (b) filings to perfect the Liens created by the Collateral Documents.

##### SECTION 3.04 Binding Effect.

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Each Loan Document has been duly executed and delivered by each Loan Party that is party thereto. Each Loan Document constitutes a legal, valid and binding obligation of each Loan Party that is party thereto, enforceable against each such Loan Party in accordance with its terms, except as may be limited by applicable Debtor Relief Laws and general principles of equity.

SECTION 3.05 Financial Statements; No Material Adverse Effect.

(a) The financial statements delivered pursuant to Sections 5.01(a) and 5.01(b)(i) were prepared in accordance with GAAP, except as otherwise expressly noted therein; and (ii) fairly present the financial condition of the Company and its Subsidiaries as of the date thereof and their results of operations for the period covered thereby in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein (subject, in the case of unaudited financial statements, to the absence of footnotes and to normal year-end audit adjustments).

(b) The Audited Financial Statements and the unaudited consolidated financial statements of the Company and its Subsidiaries for the fiscal quarters ending March 31, 2018 and June 30, 2018 (i) were prepared in accordance with GAAP, except as otherwise expressly noted therein; and (ii) fairly present the financial condition of the Company and its Subsidiaries as of the date thereof and their results of operations for the period covered thereby (subject, in the case of unaudited financial statements, to the absence of footnotes and to normal year-end audit adjustments).

(c) Since the date of the Audited Financial Statements, there has been no event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have a Material Adverse Effect.

SECTION 3.06 Litigation.

There are no actions, suits, proceedings, claims or disputes pending or, to the knowledge of the Loan Parties threatened, at law, in equity, in arbitration or before any Governmental Authority, by or against any Loan Party or any Subsidiary or against any of their properties or revenues that (a) purport to affect or pertain to this Agreement or any other Loan Document, or any of the transactions contemplated hereby or (b) could reasonably be expected to have a Material Adverse Effect.

SECTION 3.07 No Default.

(a) No Loan Party nor any Subsidiary is in default under or with respect to any Contractual Obligation that individually or in the aggregate could reasonably be expected to have a Material Adverse Effect.

(b) No Default has occurred and is continuing.

SECTION 3.08 Ownership of Property.

Each Loan Party and each of its Subsidiaries has good record and marketable title in, or valid leasehold interests in, all real and personal property and necessary or used in the ordinary conduct of its business, except to the extent that the failure to do so could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

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SECTION 3.09 Environmental Compliance.

(a) Except as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, the Loan Parties and their Subsidiaries have no liability under existing Environmental Laws and there are no claims pending that allege their potential liability under such Environmental Laws.

(b) Except as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (i) neither any Loan Party, nor, to the knowledge of the Loan Parties, any other Person, has owned or operated any underground or above-ground storage tanks or any surface impoundments, septic tanks, pits, sumps or lagoons in which Hazardous Materials are being or have been treated, stored or disposed on any property currently owned or operated by any Loan Party or any Subsidiary or on any property formerly owned or operated by any Loan Party or any Subsidiary; (ii) there is no asbestos or asbestos-containing material on any property currently owned or operated by any Loan Party or any Subsidiary; and (iii) neither any Loan Party, nor, to the knowledge of the Loan Parties, any other Person, has caused any Hazardous Materials to have been released, discharged or disposed of on any property currently or formerly owned or operated by any Loan Party or any Subsidiary.

(c) Except as could not reasonably be expected to have a Material Adverse Effect, no Loan Party nor any Subsidiary has failed to undertake or complete, either individually or together with other potentially responsible parties, any investigation or assessment or remedial or response action relating to any actual or threatened release, discharge or disposal of Hazardous Materials at any site, location or operation, either voluntarily or pursuant to the order of any Governmental Authority or the requirements of any Environmental Law; and, except as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, all Hazardous Materials generated, used, treated, handled or stored at, or transported to or from, any property currently or formerly owned or operated by any Loan Party or any Subsidiary have been disposed of in a manner not expected to result in liability to any Loan Party or any Subsidiary.

SECTION 3.10 Insurance.

The properties of the Loan Parties and their Subsidiaries are insured with financially sound and reputable insurance companies not Affiliates of the Company, in such amounts, with such deductibles and covering such risks as are customarily carried by companies engaged in similar businesses in localities where the applicable Loan Party or the applicable Subsidiary operates. The property and general liability insurance coverage of the Loan Parties as in effect on the Effective Date is outlined as to carrier, policy number, expiration date, type, amount and deductibles on Schedule 3.10.

SECTION 3.11 Taxes.

Each Loan Party and its Subsidiaries have filed all federal income tax returns required to be filed, all other material federal tax returns and reports required to be filed and all material state, local and foreign tax returns and reports required to be filed, and have paid all federal income and other material Taxes due and payable, except those which are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided in accordance with GAAP. To the knowledge of the Loan Parties, there is no proposed tax assessment against any Loan Party or any Subsidiary that would, if made, have a Material Adverse Effect. No Loan Party nor any Subsidiary thereof is party to any tax sharing agreement (other than intercompany tax sharing agreements; provided that any such intercompany tax sharing agreement involving a Loan Party has arms-length terms and conditions).

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### SECTION 3.12 ERISA Compliance.

(a) Each Plan is in compliance with the applicable provisions of ERISA and the Internal Revenue Code, except as could not reasonably be expected to result in a Material Adverse Effect. Each Plan that is intended to be a qualified plan under Section 401(a) of the Internal Revenue Code has received a favorable determination letter from the IRS to the effect that the form of such Plan is qualified under Section 401(a) of the Internal Revenue Code, or an application for such a letter is currently being processed by the IRS. To the knowledge of the Loan Parties, nothing has occurred that would prevent or cause the loss of such tax-qualified status.

(b) There are no pending or, to the knowledge of the Loan Parties, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that could be reasonably be expected to have a Material Adverse Effect. There has been no prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan that has resulted or could reasonably be expected to result in a Material Adverse Effect.

(c) Except as would not result in liability to the Company or any other Loan Party in excess of the Threshold Amount, (i) no ERISA Event has occurred, and no Loan Party nor any ERISA Affiliate is aware of any fact, event or circumstance that could reasonably be expected to constitute or result in an ERISA Event with respect to any Pension Plan, Multiple Employer Plan or Multiemployer Plan; (ii) each Loan Party and each ERISA Affiliate has met all applicable requirements under the Pension Funding Rules in respect of each Pension Plan, and no waiver of the minimum funding standards under the Pension Funding Rules has been applied for or obtained; (iii) as of the most recent valuation date for any Pension Plan, the funding target attainment percentage (as defined in Section 430(d)(2) of the Internal Revenue Code) is 60% or higher and no Loan Party nor any ERISA Affiliate knows of any facts or circumstances that could reasonably be expected to cause the funding target attainment percentage for any such plan to drop below 60% as of the most recent valuation date; (iv) no Loan Party nor any ERISA Affiliate has incurred any liability to the PBGC other than for the payment of premiums, and there are no premium payments which have become due that are unpaid; (v) no Loan Party nor any ERISA Affiliate has engaged in a transaction that could be subject to Section 4069 or Section 4212(c) of ERISA; (vi) no Pension Plan has been terminated by the plan administrator thereof nor by the PBGC, and no event or circumstance has occurred or exists that could reasonably be expected to cause the PBGC to institute proceedings under Title IV of ERISA to terminate any Pension Plan; and (vii) no Loan Party nor any ERISA Affiliate has received notification that a Multiemployer Plan is in Reorganization.

### SECTION 3.13 Subsidiaries.

Set forth on Schedule 3.13 is a complete and accurate list as of the Effective Date of each Subsidiary of any Loan Party, together with (i) jurisdiction of organization, (ii) number of shares of each class of Equity Interests outstanding, and (iii) number and percentage of outstanding shares of each class owned (directly or indirectly) by any Loan Party or any Subsidiary. The outstanding Equity Interests of each Subsidiary of any Loan Party are validly issued, fully paid and non-assessable.

### SECTION 3.14 Margin Regulations; Investment Company Act.

(a) No Borrower is engaged or will engage, principally or as one of its important activities, in the business of purchasing or carrying margin stock (within the meaning of Regulation U issued by the FRB), or extending credit for the purpose of purchasing or carrying margin stock. Following the application of the proceeds of each Borrowing or drawing under each Letter of Credit, not more than 25% of the value of the assets (either of the applicable Borrower only or of the Company and its Subsidiaries on

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a consolidated basis) subject to the provisions of Section 6.01 or Section 6.05 or subject to any restriction contained in any agreement or instrument between any Borrower and any Lender or any Affiliate of any Lender relating to Indebtedness and within the scope of clause (e) of Article VII will be margin stock.

(b) None of the Company, any Person Controlling the Company, or any Subsidiary is or is required to be registered as an “investment company” under the Investment Company Act of 1940.

SECTION 3.15 Disclosure.

No report, financial statement, certificate or other written information (other than projections, pro forma financial information, estimates, budgets, other forward-looking information and information of a general economic or industry nature) furnished by or on behalf of any Loan Party to the Administrative Agent or any Lender in connection with the transactions contemplated hereby or delivered hereunder or under any other Loan Document (as modified or supplemented by other information so furnished), as of the time it was furnished (and when modified or supplemented, as applicable), contained any misstatement of material fact or omitted as of such time to state any material fact necessary to make the statements therein (when taken as a whole), in light of the circumstances under which they were made, not materially misleading. With respect to projections, the Loan Parties represent that such information was prepared in good faith based upon assumptions believed to be reasonable at the time of preparation; it being understood that such projections are not to be viewed as facts or as guarantee of performance or achievement of any particular results (and no representation as to the performance or achievement of such results is made herein) and that actual results may vary from actual results and that such variances may be material and that no assurance can be given that the projected results will be realized.

SECTION 3.16 Compliance with Laws.

Each Loan Party and Subsidiary is in compliance with the requirements of all Laws (including Anti-Corruption Laws and applicable Sanctions) and all orders, writs, injunctions and decrees applicable to it or to its properties, except in such instances in which the failure to comply therewith could not reasonably be expected to have a Material Adverse Effect.

SECTION 3.17 Intellectual Property; Licenses, Etc.

Each Loan Party and each Subsidiary owns, or possesses the legal right to use, all of the trademarks, service marks, trade names, domain names, website addresses, copyrights, patents, patent rights, franchises, licenses and other intellectual property rights (collectively, “IP Rights”) that are reasonably necessary for the operation of their respective businesses, except to the extent that a failure to own or possess such legal right to use would not reasonably be expected to have a Material Adverse Effect. Set forth on Schedule 3.17 is a list of (i) all IP Rights registered, or for which registration has been applied for, with the United States Copyright Office or the United States Patent and Trademark Office and owned by each Loan Party as of the Effective Date and (ii) all material websites and domain names owned by each Loan Party as of the Effective Date. Except for such claims and infringements that could not reasonably be expected to have a Material Adverse Effect, no claim has been asserted and is pending by any Person challenging or questioning the use of any IP Rights or the validity or effectiveness of any IP Rights, nor does any Loan Party know of any such claim, and, to the knowledge of the Responsible Officers of the Loan Parties, the use of any IP Rights by any Loan Party or any Subsidiary or the granting of a right or a license in respect of any IP Rights from any Loan Party or any Subsidiary does not infringe on the rights of any Person, except as would not reasonably be expected to have a Material Adverse Effect. As of the Effective Date, none of the material IP Rights owned by any Loan Party is subject to any licensing agreement or similar arrangement except as set forth on Schedule 3.17.

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SECTION 3.18 Solvency.

The Company and its Subsidiaries are Solvent on a consolidated basis.

SECTION 3.19 Perfection of Security Interests in the Collateral.

The Collateral Documents will, upon the execution and delivery thereof, be effective to create valid security interests in, and Liens on, the Collateral purported to be covered thereby and described therein, which security interests and Liens will be perfected security interests and Liens, prior to all other Liens other than Permitted Liens, upon the timely and proper filings, deliveries, notations and other actions contemplated by the Collateral Documents (to the extent that (a) such security interests and Liens can be perfected by such filings, deliveries, notations and other actions contemplated by the Collateral Documents and (b) such actions are required to be taken with respect to such Collateral by the terms of the Collateral Documents).

SECTION 3.20 Business Locations; Taxpayer Identification Number.

Set forth on Schedule 3.20(a) is a list of all real property located in the United States that is owned or leased by any Loan Party as of the Effective Date. Set forth on Schedule 3.20(b) is a list of all locations where any tangible personal property of any Loan Party is located as of the Effective Date. Set forth on Schedule 3.20(c) is the chief executive office, exact legal name, U.S. tax payer identification number and organizational identification number of each Loan Party as of the Effective Date. Except as set forth on Schedule 3.20(d), no Loan Party has during the five years preceding the Effective Date (i) changed its legal name, (ii) changed its state of formation, or (iii) been party to a merger, consolidation or other change in structure. Set forth on Schedule 3.20(e), is a list of each deposit and investment account of each Loan Party as of the Effective Date.

SECTION 3.21 Labor Matters.

There are no collective bargaining agreements or Multiemployer Plans covering the employees of any Loan Party or any Subsidiary as of the Effective Date. No Loan Party nor any Subsidiary has suffered any strikes, walkouts, work stoppages or other material labor difficulty in the five years preceding the Effective Date.

SECTION 3.22 Anti-Corruption Laws and Sanctions. Each Borrower has implemented and maintains in effect policies and procedures designed to ensure compliance in all material respects by such Borrower, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and such Borrower, its Subsidiaries and their respective officers and employees and, to the knowledge of such Borrower, its directors and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of (a) the Borrowers, any Subsidiary or to the knowledge of the Borrowers or such Subsidiary any of their respective directors, officers or employees, or (b) to the knowledge of each Borrower, any agent of such Borrower or any Subsidiary that will act in any capacity in connection with or benefit from the credit facility established hereby, is a Sanctioned Person. No Borrowing or Letter of Credit, use of proceeds or the other Transactions will violate, in any material respect, Anti-Corruption Laws or applicable Sanctions.

SECTION 3.23 EEA Financial Institutions. No Loan Party is an EEA Financial Institution.

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## ARTICLE IV

### Conditions

SECTION 4.01 Effective Date. The obligations of the Lenders to make Loans and of the Issuing Banks to issue Letters of Credit hereunder shall not become effective until the date on which each of the following conditions is satisfied (or waived in accordance with Section 9.02):

(a) The Administrative Agent (or its counsel) shall have received (i) from each party hereto either (A) a counterpart of this Agreement signed on behalf of such party or (B) written evidence satisfactory to the Administrative Agent (which may include telecopy or electronic transmission of a signed signature page of this Agreement) that such party has signed a counterpart of this Agreement and (ii) duly executed copies of the Loan Documents and such other certificates, documents, instruments and agreements, all in form and substance satisfactory to the Administrative Agent and its counsel and as further described in the list of closing documents attached as Exhibit E.

(b) The Administrative Agent shall have received a favorable written opinion (addressed to the Administrative Agent and the Lenders and dated the Effective Date) of Moore & Van Allen PLLC, counsel for the Loan Parties, substantially in the form of Exhibit B. The Company hereby requests such counsel to deliver such opinion.

(c) The Administrative Agent shall have received such documents and certificates as the Administrative Agent or its counsel may reasonably request relating to the organization, existence and good standing of the initial Loan Parties, the authorization of the Transactions and any other legal matters relating to such Loan Parties, the Loan Documents or the Transactions, all in form and substance satisfactory to the Administrative Agent and its counsel and as further described in the list of closing documents attached as Exhibit E.

(d) The Administrative Agent shall have received a certificate, dated the Effective Date and signed by the President, a Vice President or a Financial Officer of the Company, confirming compliance with the conditions set forth in paragraphs (a) and (b) of Section 4.02.

(e) The Administrative Agent shall have received all fees and other amounts due and payable on or prior to the Effective Date, including, to the extent invoiced at least one Business Day prior to the Effective Date, reimbursement or payment of all reasonable out-of-pocket expenses required to be reimbursed or paid by the Company hereunder.

The Administrative Agent shall notify the Company and the Lenders of the Effective Date, and such notice shall be conclusive and binding.

SECTION 4.02 Each Credit Event. The obligation of each Lender to make a Loan on the occasion of any Borrowing, and of the Issuing Banks to issue, amend, renew or extend any Letter of Credit, is subject to the satisfaction of the following conditions:

(a) The representations and warranties of the Borrowers set forth in this Agreement shall be true and correct in all material respects (or in all respects if the applicable representation or warranty is qualified by materiality or Material Adverse Effect) on and as of the date of such Borrowing or the date of issuance, amendment, renewal or extension of such Letter of Credit, as applicable, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date.

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(b) At the time of and immediately after giving effect to such Borrowing or the issuance, amendment, renewal or extension of such Letter of Credit, as applicable, no Default or Event of Default shall have occurred and be continuing.

Each Borrowing and each issuance, amendment, renewal or extension of a Letter of Credit shall be deemed to constitute a representation and warranty by the Borrowers on the date thereof as to the matters specified in paragraphs (a) and (b) of this Section.

## ARTICLE V

### Affirmative Covenants

Until the Commitments have expired or been terminated and the principal of and interest on each Loan and all fees payable hereunder shall have been paid in full and all Letters of Credit shall have expired or terminated, in each case, without any pending draw, and all LC Disbursements shall have been reimbursed, each Borrower shall, and shall cause each Subsidiary to:

#### SECTION 5.01 Financial Statements.

Deliver to the Administrative Agent for delivery to each Lender:

(a) as soon as available, but in any event within 120 days after the end of each fiscal year of the Company, a consolidated balance sheet of the Company and its Subsidiaries as at the end of such fiscal year, and the related consolidated statements of income or operations, changes in shareholders' equity and cash flows for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail and prepared in accordance with GAAP, such consolidated statements to be audited and accompanied by a report and opinion of an independent certified public accountant of nationally recognized standing reasonably acceptable to the Required Lenders, which report and opinion shall be prepared in accordance with generally accepted auditing standards and shall not be subject to any "going concern" or like qualification or exception or any qualification or exception as to the scope of such audit; and

(b) as soon as available, but in any event within 45 days after the end of each of the first three fiscal quarters of each fiscal year of the Company, a condensed consolidated balance sheet of the Company and its Subsidiaries as at the end of such fiscal quarter, and the related condensed consolidated statements of income or operations for such fiscal quarter and for the portion of the Company's fiscal year then ended, and the related condensed consolidated statements of cash flows for such fiscal quarter and for the portion of the Company's fiscal year then ended, in each case setting forth in comparative form, as applicable, the figures for the corresponding fiscal quarter of the previous fiscal year and the corresponding portion of the previous fiscal year, all in reasonable detail and certified by the chief executive officer, chief financial officer, vice president-treasury, treasurer or controller of the Company as fairly presenting the financial condition, results of operations, shareholders' equity and cash flows of the Company and its Subsidiaries in accordance with GAAP, subject only to normal year-end audit adjustments and the absence of footnotes.

Notwithstanding the foregoing, the obligations in Sections 5.01(a) and 5.01(b) shall be deemed satisfied with respect to the consolidated financial statements of the Company and the Subsidiaries by furnishing the Company's Form 10-K or 10-Q, as applicable, filed with the SEC; provided that to the extent such information is in lieu of information required to be provided under Section 5.01(a), such materials are accompanied by a report and opinion of an independent registered public accounting firm of nationally

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recognized standing, which report and opinion shall be prepared in accordance with generally accepted auditing standards and shall not be subject to any “going concern” or like qualification or exception or any qualifications or exceptions as to the scope of such audit.

SECTION 5.02 Certificates; Other Information.

Deliver to the Administrative Agent for delivery to each Lender:

(a) [reserved];

(b) concurrently with the delivery of the financial statements referred to in Sections 5.01(a) and 5.01(b), a duly completed Compliance Certificate signed by the chief executive officer, chief financial officer, vice president, treasurer or controller of the Company which shall include, in the case of the Compliance Certificate accompanying the financial statements referred to in Section 5.01(a), such supplements to Schedules 3.13, 3.17, 3.20(a), 3.20(b), 3.20(c), 3.20(d) and 3.20(e), as are necessary such that, as supplemented, such Schedules would be accurate and complete as of the date of such Compliance Certificate (which delivery may, unless the Administrative Agent, or a Lender requests executed originals, be by electronic communication including fax or email and shall be deemed to be an original authentic counterpart thereof for all purposes);

(c) not later than 60 days after the beginning of each fiscal year of the Company, commencing with the fiscal year beginning January 1, 2019, a projected annual budget of the Company and its Subsidiaries containing, among other things, projected income and cash-flow statements for each quarter of such fiscal year;

(d) promptly after the same are available, copies of each annual report, proxy or financial statement or other report or communication sent to the equityholders of any Loan Party or any Subsidiary, and copies of all annual, regular, periodic and special reports and registration statements which a Loan Party or any Subsidiary may file or be required to file with the SEC under Section 13 or 15(d) of the Securities Exchange Act of 1934, and not otherwise required to be delivered to the Administrative Agent pursuant hereto;

(e) promptly after any request by the Administrative Agent or any Lender, copies of any material audit reports, management letters or recommendations submitted to the board of directors (or the audit committee of the board of directors) of the Company by independent accountants in connection with the accounts or books of the Company or any Subsidiary, or any audit of any of them;

(f) promptly after the furnishing thereof, copies of any material statement or material report furnished to any holder of debt securities of any Loan Party or any Subsidiary pursuant to the terms of any indenture, loan or credit or similar agreement and not otherwise required to be furnished to the Lenders pursuant to Section 5.01 or any other clause of this Section 5.02;

(g) promptly after a Responsible Officer of the Company in good faith determines the same could reasonably be expected to have a Material Adverse Effect, copies of each notice or other correspondence received from the SEC (or comparable agency in any applicable non-U.S. jurisdiction) concerning any investigation or possible investigation by such agency regarding financial or other operational results of any Loan Party or any Subsidiary thereof; and

(h) promptly, (x) such additional information regarding the business, financial or corporate affairs of any Loan Party or any Subsidiary, or compliance with the terms of the Loan Documents,

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as the Administrative Agent or any Lender may from time to time reasonably request and (y) such information and documentation reasonably requested by the Administrative Agent or any Lender for purposes of compliance with applicable “know your customer” and anti-money laundering rules and regulations, including the Patriot Act and, to the extent applicable, the Beneficial Ownership Regulation.

Documents required to be delivered pursuant to Section 5.01(a) or 5.01(b) or Section 5.02(d) (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which the Company posts such documents, or provides a link thereto on the Company’s website on the Internet at the website address set forth in Section 9.01; or (ii) on which such documents are posted on the Company’s behalf on an Internet or intranet website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent); provided that: (i) the Company shall deliver paper copies of such documents to the Administrative Agent or any Lender upon its request to the Company to deliver such paper copies until a written request to cease delivering paper copies is given by the Administrative Agent or such Lender and (ii) the Company shall notify the Administrative Agent and each Lender (by facsimile or electronic mail) of the posting of any such documents and provide to the Administrative Agent by electronic mail electronic versions ( i.e., soft copies) of such documents. The Administrative Agent shall have no obligation to request the delivery of or to maintain paper copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Company with any such request by a Lender for delivery, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

Each Borrower hereby acknowledges that (a) the Administrative Agent will make available to the Lenders and the Issuing Banks materials and/or information provided by or on behalf of such Borrower hereunder (collectively, “ Borrower Materials ”) by posting the Borrower Materials on an Electronic System and (b) certain of the Lenders (each a “ Public Lender ”) may have personnel who do not wish to receive material non-public information with respect to any of the Borrowers or their respective Affiliates, or the respective securities of any of the foregoing, and who may be engaged in investment and other market-related activities with respect to such Persons’ securities. Each Borrower hereby agrees that (w) all Borrower Materials that are to be made available to Public Lenders shall be clearly and conspicuously marked “PUBLIC” which, at a minimum, shall mean that the word “PUBLIC” shall appear prominently on the first page thereof; (x) by marking Borrower Materials “PUBLIC,” such Borrower shall be deemed to have authorized the Administrative Agent, the Issuing Banks and the Lenders to treat such Borrower Materials as not containing any material non-public information with respect to the Borrowers or their respective securities for purposes of United States federal and state securities laws ( provided, however, that to the extent such Borrower Materials constitute Information, they shall be treated as set forth in Section 9.12 ); (y) all Borrower Materials marked “PUBLIC” are permitted to be made available through a portion of the Platform designated as “Public Side Information;” and (z) the Administrative Agent shall be entitled to treat any Borrower Materials that are not marked “PUBLIC” as being suitable only for posting on a portion of the Platform not marked as “Public Side Information.” Notwithstanding the foregoing, no Borrower shall be under any obligation to mark any Borrower Materials “PUBLIC.”

#### SECTION 5.03 Notices.

(a) Promptly notify the Administrative Agent after a Responsible Officer of any Loan Party has obtained knowledge of the occurrence of any Default.

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(b) Promptly notify the Administrative Agent after a Responsible Officer of any Loan Party has obtained knowledge of any matter that has resulted or could reasonably be expected to result in a Material Adverse Effect.

(c) Promptly notify the Administrative Agent after a Responsible Officer of any Loan Party has obtained knowledge of the occurrence of any ERISA Event which is reasonably expected to result in liability to the Company or any other Loan Party in excess of the Threshold Amount.

(d) Promptly notify the Administrative Agent of any material change in accounting policies or financial reporting practices by any Loan Party or any Subsidiary.

Each notice pursuant to this Section 5.03 shall be accompanied by a statement of a Responsible Officer of the Company setting forth details of the occurrence referred to therein and stating what action the Company has taken and proposes to take with respect thereto. Each notice pursuant to Section 5.03(a) shall describe with particularity any and all provisions of this Agreement and any other Loan Document that have been breached.

#### SECTION 5.04 Payment of Taxes.

Pay and discharge, as the same shall become due and payable, all its material tax liabilities, assessments and governmental charges or levies upon it or its properties or assets, unless the same are being contested in good faith by appropriate proceedings diligently conducted and adequate reserves in accordance with GAAP are being maintained by such Loan Party or such Subsidiary.

#### SECTION 5.05 Preservation of Existence, Etc.

(a) Preserve, renew and maintain in full force and effect its legal existence and, if applicable, good standing under the Laws of the jurisdiction of its organization except in a transaction permitted by Section 6.04 or 6.05.

(b) Take all reasonable action to maintain all rights, privileges, permits, licenses and franchises necessary or desirable in the normal conduct of its business, except to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect.

(c) Preserve or renew all of its IP Rights, the non-preservation of which could reasonably be expected to have a Material Adverse Effect.

#### SECTION 5.06 Maintenance of Properties.

Except where the failure to do so could not reasonably be expected to have a Material Adverse Effect:

(a) Maintain, preserve and protect all of its properties and equipment necessary in the operation of its business in good working order and condition, ordinary wear and tear excepted.

(b) Make all repairs thereto and renewals and replacements thereof.

#### SECTION 5.07 Maintenance of Insurance.

(a) Maintain insurance with financially sound and reputable insurance companies not Affiliates of the Company, in such amounts, with such deductibles and covering such risks as are customarily

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carried by companies engaged in similar businesses in localities where such Loan Party or such Subsidiary operates.

(b) Cause the Administrative Agent to be named as loss payee or mortgagee, as its interest may appear, and/or additional insured with respect to any such insurance providing liability coverage or coverage in respect of any Collateral, and cause each provider of any such insurance to agree, by endorsement upon the policy or policies issued by it or by independent instruments furnished to the Administrative Agent, that it will give the Administrative Agent thirty days prior written notice before any such policy or policies shall be altered or canceled.

SECTION 5.08 Compliance with Laws.

(a) Comply with the requirements of all Laws (including Anti-Corruption Laws and applicable Sanctions) and all orders, writs, injunctions and decrees applicable to it or to its business or property, except in such instances in which the failure to comply therewith could not reasonably be expected to have a Material Adverse Effect.

(b) Maintain in effect and enforce policies and procedures designed to ensure compliance by such Borrower, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

SECTION 5.09 Books and Records.

(a) Maintain proper books of record and account, in which entries that are full, true and correct in all material respects and are in conformity with GAAP consistently applied shall be made of all financial transactions and matters involving the assets and business of such Loan Party or such Subsidiary (it being understood and agreed that Foreign Subsidiaries may maintain individual books and records in conformity with generally accepted accounting principles that are applicable in their respective countries of organization and that such maintenance shall not constitute a breach of the representations, warranties or covenants hereunder), as the case may be.

(b) Maintain such books of record and account in material conformity with all applicable requirements of any Governmental Authority having regulatory jurisdiction over such Loan Party or such Subsidiary, as the case may be.

SECTION 5.10 Inspection Rights.

Permit representatives and independent contractors of the Administrative Agent and each Lender to visit and inspect any of its properties, to examine its corporate, financial and operating records, and make copies thereof or abstracts therefrom, and to discuss its affairs, finances and accounts with its directors, officers, and independent public accountants, all at the expense of the Borrowers and at such reasonable times during normal business hours and as often as may be reasonably desired, upon reasonable advance notice to the Company; provided, however, (i) absent an Event of Default, the Borrowers shall only be required to pay for one such visit and/or inspection per fiscal year and (ii) if an Event of Default exists, the Administrative Agent or any Lender (or any of their respective representatives or independent contractors) may do any of the foregoing at the expense of the Borrowers at any time during normal business hours and without advance notice. Notwithstanding anything to the contrary in this Section 5.10, none of the Company nor any Subsidiary shall be required to disclose, permit the inspection, examination or making copies or abstracts of, or discussion of, any document, information or other matter that (i) constitutes non-financial trade secrets or non-financial proprietary information, (ii) in respect of which disclosure to the Administrative

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Agent or any Lender (or their respective representatives or contractors) is prohibited by Law or (iii) is subject to attorney client or similar privilege or constitutes attorney work-product.

SECTION 5.11 Use of Proceeds.

(a) Use the proceeds of the Credit Events (i) to finance working capital, capital expenditures, Permitted Acquisitions, share repurchases and other Restricted Payments and other lawful corporate purposes, and (ii) to refinance the existing Indebtedness under the Existing Credit Agreement, provided that in no event shall the proceeds of the Credit Extensions be used in contravention of any Law or of any Loan Document. No part of the proceeds of any Loan will be used, whether directly or indirectly, for any purpose that entails a violation of any of the Regulations of the Board, including Regulations T, U and X.

(b) No Borrower will request any Borrowing or Letter of Credit, and no Borrower shall use, and the Company shall procure that its Subsidiaries and its or their respective directors, officers, employees and agents shall not use, the proceeds of any Borrowing or Letter of Credit (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (ii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, to the extent such activities, businesses or transaction would be prohibited by Sanctions if conducted by a corporation incorporated in the United States or in a European Union member state or (iii) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

SECTION 5.12 ERISA Compliance.

Except where the failure to do so could not reasonably be expected to have a Material Adverse Effect, do, and cause each of its ERISA Affiliates to do, each of the following: (a) maintain each Plan in compliance in all material respects with the applicable provisions of ERISA, the Internal Revenue Code and other federal or state law; (b) cause each Plan that is qualified under Section 401(a) of the Internal Revenue Code to maintain such qualification; and (c) make all required contributions to any Plan subject to Section 412, Section 430 or Section 431 of the Internal Revenue Code.

SECTION 5.13 Additional Subsidiaries.

Within thirty days after the acquisition or formation of any Subsidiary:

(a) notify the Administrative Agent thereof in writing, together with the (i) jurisdiction of formation, (ii) number of shares of each class of Equity Interests outstanding, (iii) number and percentage of outstanding shares of each class owned (directly or indirectly) by the Company or any Subsidiary and (iv) number and effect, if exercised, of all outstanding options, warrants, rights of conversion or purchase and all other similar rights with respect thereto; and

(b) if such Subsidiary is a Wholly-Owned Domestic Subsidiary, cause such Person to (i) become a Subsidiary Guarantor by executing and delivering to the Administrative Agent a Joinder Agreement or such other documents as the Administrative Agent shall deem appropriate for such purpose, and (ii) upon the request of the Administrative Agent in its sole discretion, deliver to the Administrative Agent such Organization Documents, resolutions and favorable opinions of counsel, all in form, content and scope reasonably satisfactory to the Administrative Agent.

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Notwithstanding the foregoing, no Excluded Subsidiary shall be required to become a Subsidiary Guarantor.

SECTION 5.14 Pledged Assets .

(a) Equity Interests . Cause: (a) 100% of the issued and outstanding Equity Interests of each Domestic Subsidiary and (b) 65% of the issued and outstanding Equity Interests entitled to vote (within the meaning of Treas. Reg. Section 1.956-2(c)(2) and 100% of the issued and outstanding Equity Interests not entitled to vote (within the meaning of Treas. Reg. Section 1.956-2(c)(2)) in each Foreign Subsidiary directly owned by a Loan Party to be subject at all times to a first priority, perfected Lien in favor of the Administrative Agent pursuant to the terms and conditions of the Collateral Documents, together with opinions of counsel and any filings and deliveries reasonably necessary in connection therewith to perfect the security interests therein, all in form and substance reasonably satisfactory to the Administrative Agent. In addition, the Borrowers shall enter into such amendments to this Agreement as are reasonably requested by the Administrative Agent to facilitate the pledge of Equity Interests in Foreign Subsidiaries to the extent such pledge is otherwise required by the terms of this Agreement. Notwithstanding the foregoing, with respect to the pledge of Equity Interests issued by Foreign Subsidiaries, no non-United States Law-governed security documents (and related opinions of local counsel) shall be required (x) for Immaterial Foreign Subsidiaries or (y) unless such security documents are requested by the Administrative Agent or the Required Lenders, for Material Foreign Subsidiaries.

(b) Other Property . (i) Cause all owned real and personal property (other than Excluded Property) of each Loan Party to be subject at all times to first priority, perfected and, in the case of owned real property, title insured Liens in favor of the Administrative Agent to secure the Obligations, in each case pursuant to the terms and conditions of the Collateral Documents or, with respect to any such property acquired subsequent to the Effective Date, such other additional security documents as the Administrative Agent shall reasonably request, subject in any case to Permitted Liens and (ii) deliver such other documentation as the Administrative Agent may reasonably request in connection with the foregoing, including, without limitation, appropriate UCC-1 financing statements, real estate title insurance policies, surveys, environmental reports, landlord's waivers, certified resolutions and other organizational and authorizing documents of such Person and favorable opinions of counsel to such Person (which shall cover, among other things, the legality, validity, binding effect and enforceability of the documentation referred to above and the perfection of the Administrative Agent's Liens thereunder) and other items of the types required to be delivered pursuant to Section 4.01(a), all in form, content and scope reasonably satisfactory to the Administrative Agent.

SECTION 5.15 Post-Closing Matters .

To the extent not delivered on the Effective Date,

(a) within sixty (60) days following the Effective Date (or such later date as the Administrative Agent may agree in its sole discretion), deliver such executed deposit account control agreements (or similar agreements granting control to the Administrative Agent) to the extent reasonably requested by the Administrative Agent with respect to the domestic deposit accounts (other than Excluded Accounts) of the Loan Parties in form and substance reasonably satisfactory to the Administrative Agent; and

(b) within forty-five (45) days following the Effective Date (or such later date as the Administrative Agent may agree in its sole discretion), deliver a foreign law pledge agreement (or similar security document) to the extent reasonably requested by the Administrative Agent with respect to the required

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pledge of the Equity Interests of DHI Careers Limited, together with an opinion of foreign counsel, in each case in form and substance reasonably satisfactory to the Administrative Agent.

(c) within thirty (30) days following the Effective Date (or such later date as the Administrative Agent may agree in its sole discretion), deliver to the Administrative Agent additional insurance and lender loss payee endorsements with respect to the liability insurance policies and the property insurance policies of initial Loan Parties, in form and substance reasonably acceptable to the Administrative Agent.

## ARTICLE VI

### Negative Covenants

Until the Commitments have expired or terminated and the principal of and interest on each Loan and all fees payable hereunder have been paid in full and all Letters of Credit have expired or terminated, in each case, without any pending draw, and all LC Disbursements shall have been reimbursed, no Borrower shall, nor shall it permit any Subsidiary to, directly or indirectly:

#### SECTION 6.01 Liens.

Create, incur, assume or suffer to exist any Lien upon any of its property, assets or revenues, whether now owned or hereafter acquired, other than the following:

(a) Liens pursuant to any Loan Document;

(b) Liens existing on the date hereof and listed on Schedule 6.01 and any renewals or extensions thereof, provided that the property covered thereby is not changed;

(c) Liens (other than Liens imposed under ERISA) for Taxes, assessments or governmental charges or levies not yet delinquent or which are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person in accordance with GAAP to the extent required by GAAP;

(d) statutory or common law Liens of landlords and Liens of carriers, warehousemen, mechanics, materialmen, repairmen, construction contractors and suppliers or other similar Persons and other Liens imposed by law or pursuant to customary reservations or retentions of title arising in the ordinary course of business that secure amounts not overdue for a period of more than thirty days or if more than thirty days overdue, that are being contested in good faith and by appropriate proceedings, if adequate reserves with respect thereto are maintained on the books of the applicable Person in accordance with GAAP to the extent required by GAAP;

(e) pledges or deposits in the ordinary course of business in connection with workers' compensation, unemployment insurance and other social security legislation, other than any Lien imposed by ERISA;

(f) deposits and other pledges to secure the performance of bids, trade contracts, governmental contracts and leases (other than Indebtedness), statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business;

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(g) easements, rights-of-way, restrictions and other similar encumbrances affecting real property which, in the aggregate, are not substantial in amount, and which do not in any case materially detract from the value of the property subject thereto or materially interfere with the ordinary conduct of the business of the applicable Person;

(h) Liens securing judgments for the payment of money (or appeal or other surety bonds relating to such judgments) not constituting an Event of Default under clause (h) of Article VII;

(i) Liens securing Indebtedness permitted under Section 6.03(e); provided that (i) such Liens do not at any time encumber any property other than the property financed by such Indebtedness and (ii) such Liens attach to such property concurrently with or within ninety days after the acquisition thereof;

(j) leases or subleases granted to others not interfering in any material respect with the business of any Loan Party or any Subsidiary;

(k) any interest of title of a lessor under, and Liens arising from UCC financing statements (or equivalent filings, registrations or agreements in foreign jurisdictions) relating to, leases permitted by this Agreement;

(l) Liens deemed to exist in connection with Investments in repurchase agreements permitted under Section 6.02(a);

(m) normal and customary rights of setoff upon deposits of cash in favor of banks or other depository institutions;

(n) Liens of a collection bank arising under Section 4-210 of the Uniform Commercial Code on items in the course of collection;

(o) Liens on insurance proceeds securing the payment of financed insurance premiums to the extent permitted by Section 6.03(h);

(p) non-exclusive licenses or sublicenses of IP Rights in the ordinary course of business that do not interfere in any material respect with the business of any Loan Party or any Subsidiary;

(q) Liens in favor of the Issuing Banks on cash collateral securing the obligations of a Defaulting Lender to fund risk participations hereunder;

(r) cash earnest money deposits made by the Company or any of its Subsidiaries in connection with any letter of intent or purchase agreement with respect to a transaction permitted hereunder;

(s) Liens securing Indebtedness permitted in Section 6.03(j); provided that such Liens do not at any time encumber any property other than the property subject to such Liens at the time the Indebtedness secured by such Lien was acquired or assumed;

(t) Liens on assets of Foreign Subsidiaries securing Indebtedness of such Foreign Subsidiaries permitted pursuant to Section 6.03(k); and

(u) other Liens securing obligations in an aggregate principal amount outstanding at any time not to exceed \$3,000,000.

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SECTION 6.02 Investments.

Make any Investments, except:

- (a) Investments held in the form of cash or Cash Equivalents (determined at the time of acquisition thereof);
- (b) Investments existing as of the Effective Date and set forth in Schedule 8.02;
- (c) Investments in any Person that is a Loan Party prior to giving effect to such Investment;
- (d) Investments by (i) any Subsidiary that is not a Loan Party in any other Subsidiary that is not a Loan Party and (ii) by any Loan Party in any other Subsidiary that is not a Loan Party (x) the proceeds of which are used to finance a Permitted Acquisition or (y) otherwise in an aggregate amount not to exceed the sum of (A) \$8,000,000 plus (B) the aggregate after-tax amount of cash and/or Cash Equivalents repatriated by Foreign Subsidiaries to Loan Parties during the term of this Agreement;
- (e) Investments consisting of extensions of credit in the nature of accounts receivable or notes receivable arising from the grant of trade credit in the ordinary course of business, and Investments received in satisfaction or partial satisfaction thereof from financially troubled account debtors to the extent reasonably necessary in order to prevent or limit loss;
- (f) short-term loans and advances to directors, officers and employees for travel, entertainment, relocation and other analogous purposes in the ordinary course of business in an aggregate amount not to exceed \$1,000,000 at any one time outstanding;
- (g) Guarantees permitted by Section 6.03;
- (h) Permitted Acquisitions;
- (i) Investments in tax exempt securities rated A or better by Moody's or A+ or better by Standard & Poor's;
- (j) Investments in corporate debt obligations and equities on a case-by-case basis in conjunction with tax strategies; provided that the aggregate amount of such Investments shall not exceed \$500,000 at any time outstanding;
- (k) [reserved];
- (l) Investments of a nature not contemplated in the foregoing clauses in an amount not to exceed \$3,000,000 in the aggregate at any time outstanding.

Notwithstanding the foregoing, no additional Investments may be made in the Excluded Subsidiaries other than di minimis amounts needed to effectuate transactions permitted pursuant to Section 6.04(d).

SECTION 6.03 Indebtedness.

Create, incur, assume or suffer to exist any Indebtedness, except:

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(a) Indebtedness under the Loan Documents;

(b) Indebtedness set forth in Section 6.03 (and renewals, refinancings and extensions thereof); provided that (i) the amount of such Indebtedness is not increased at the time of such refinancing, renewal or extension except by an amount equal to a reasonable premium or other reasonable amount paid, and fees and expenses reasonably incurred, in connection with such refinancing and by an amount equal to any existing commitments unutilized thereunder and (ii) if such Indebtedness is subordinated, the subordination provisions of any such refinancing, renewal or extension are no less favorable in any material respect to the Loan Parties and their Subsidiaries or the Lenders than the terms of any agreement or instrument governing the Indebtedness being refinanced, renewed or extended;

(c) intercompany Indebtedness outstanding on the Effective Date and intercompany Indebtedness permitted under Section 6.02;

(d) obligations (contingent or otherwise) existing or arising under any Swap Contract, provided that such obligations are (or were) entered into by such Person in the ordinary course of business for the purpose of mitigating risks associated with liabilities, commitments, investments, assets, or property held or reasonably anticipated by such Person, or changes in the value of securities issued by such Person, and not for purposes of speculation;

(e) purchase money Indebtedness (including obligations in respect of Capital Leases) hereafter incurred to finance the purchase of fixed assets, and renewals, refinancings and extensions thereof, provided that (i) the aggregate outstanding principal amount of all such Indebtedness shall not exceed, at any one time outstanding, the difference of (A) \$15,000,000 minus (B) the aggregate principal amount of Indebtedness outstanding pursuant to Section 6.03(f); and (ii) such Indebtedness when incurred shall not exceed the purchase price of the asset(s) financed;

(f) Indebtedness in an aggregate principal amount not to exceed, at any one time outstanding, the difference of (i) \$15,000,000 minus (ii) the aggregate principal amount of Indebtedness outstanding pursuant to Section 6.03(e); provided that the aggregate principal amount of all Indebtedness incurred pursuant to this Section 6.03(f) that is secured by Liens shall not exceed \$3,000,000 at any time outstanding;

(g) Subordinated Debt;

(h) Indebtedness incurred in connection with the financing of insurance premiums in an amount not to exceed the annual premiums in respect thereof at any one time outstanding;

(i) Guarantees with respect to Indebtedness permitted under this Section 6.03; provided that if the underlying Indebtedness is Subordinated Debt, any Guarantees shall be subordinated on the same terms;

(j) Indebtedness of the type described in Section 6.03(e) of any Person that becomes a Subsidiary after the Effective Date as a result of a Permitted Acquisition (and, for the avoidance of doubt, as a result of a Division) or otherwise assumed in connection with a Permitted Acquisition, provided that such Indebtedness (and any Guarantees thereof) exists at the time of such Permitted Acquisition, and is not created in contemplation of or in connection with such Permitted Acquisition and refinancings in respect thereof;

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- (k) Indebtedness of Foreign Subsidiaries in an aggregate outstanding principal amount not to exceed \$3,000,000 at any time; and
- (l) Indebtedness consisting of obligations to pay the seller the deferred purchase price of a Permitted Acquisition, including Earn-Outs.

#### SECTION 6.04 Fundamental Changes.

Merge, dissolve, liquidate or consolidate with or into another Person or consummate a Division as the Dividing Person, except that so long as no Default exists or would result therefrom, (a) the Company may merge or consolidate with any of its Subsidiaries provided that the Company is the continuing or surviving Person, (b) any Subsidiary may merge or consolidate with any other Subsidiary provided that (i) if a Borrower is a party to such transaction, such Borrower is the continuing or surviving Person and (ii) if a Loan Party (other than a Borrower) is a party to such transaction, the continuing or surviving Person is a Loan Party, (c) the Company or any Subsidiary may merge with any other Person in connection with a Permitted Acquisition provided that (i) if a the Company is a party to such transaction, the Company is the continuing or surviving Person and (ii) if a Loan Party is a party to such transaction, a Loan Party is the surviving Person, (d) any Subsidiary that is an LLC may consummate a Division as the Dividing Person if, immediately upon the consummation of the Division, the assets of the applicable Dividing Person are held by one or more Loan Parties at such time, or, with respect to assets not so held by one or more Loan Parties, such Division, in the aggregate, would otherwise result in a Disposition permitted by Section 6.05(e) and (e) any Subsidiary (other than a Borrower) may dissolve, liquidate or wind up its affairs at any time provided that such dissolution, liquidation or winding up, as applicable, could not have a Material Adverse Effect.

#### SECTION 6.05 Dispositions.

Make any Disposition except:

- (a) Permitted Transfers;
- (b) Dispositions permitted by Section 6.04;
- (c) sales of non-core assets acquired in connection with a Permitted Acquisition; provided that the fair market value of the non-core assets subject to such sales shall not exceed 10% of the fair market value of the acquired entity or business;
- (d) the Disposition of Rigzone.com, Inc. and its subsidiaries; and
- (e) other Dispositions so long as (i) at least 75% of the consideration paid in connection therewith shall be cash paid contemporaneous with consummation of the transaction and shall be in an amount not less than the fair market value of the property disposed of, (ii) such transaction does not involve the sale or other disposition of a minority equity interest in any Subsidiary, (iii) such transaction does not involve a sale or other disposition of receivables other than receivables owned by or attributable to other property concurrently being disposed of in a transaction otherwise permitted under this Section 6.05, and (iv) the aggregate net book value of all of the assets sold or otherwise disposed of by the Loan Parties and their Subsidiaries in all such transactions in any fiscal year of the Company shall not exceed \$5,000,000 (plus any unused amount under this Section 6.05(d) for prior fiscal years).

#### SECTION 6.06 Restricted Payments.

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Declare or make, directly or indirectly, any Restricted Payment, or incur any obligation (contingent or otherwise) to do so, except that:

(a) each Loan Party (other than the Company) and each Subsidiary may make Restricted Payments to Persons that own Equity Interests in such Loan Party or Subsidiary, ratably according to their respective holdings of the type of Equity Interest in respect of which such Restricted Payment is being made;

(b) each Loan Party and each Subsidiary may declare and make dividend payments or other distributions payable solely in common Equity Interests of such Person;

(c) so long as no Default exists immediately prior and after giving effect thereto, each Loan Party and each Subsidiary may make Restricted Payments; provided, that, the Consolidated Leverage Ratio, calculated on a Pro Forma Basis after giving effect to any such Restricted Payment, shall be equal to or less than 2.00 to 1.00; and

(d) Each Loan Party and each Subsidiary may make other Restricted Payments in an amount not to exceed, in the aggregate during any fiscal year of the Company, the sum of (i) \$5,000,000 and (ii) the unused amount of Restricted Payments that were permitted to be made during the immediately preceding fiscal year pursuant to Section 6.06(d)(i) without giving effect to any carryover amount (it being understood and agreed that Restricted Payments in any fiscal year shall be deemed to use, first, the amount for such fiscal year set forth in Section 6.06(d)(i) and, second, any amount carried forward to such fiscal year pursuant to this Section 6.06(d)(ii).

SECTION 6.07 Change in Nature of Business.

Engage in any material line of business substantially different from those lines of business conducted by the Loan Parties and their Subsidiaries on the Effective Date or any business reasonably related or incidental thereto or reasonable extensions thereof.

SECTION 6.08 Transactions with Affiliates and Insiders.

Enter into or permit to exist any transaction or series of transactions with any officer, director or Affiliate of such Person other than (a) transactions between or among the Company and its Subsidiaries that are not otherwise prohibited by this Agreement, (b) normal and reasonable compensation and reimbursement of expenses of officers and directors and (c) except as otherwise specifically limited in this Agreement, other transactions which are entered into on terms and conditions substantially as favorable to such Person as would be obtainable by it in a comparable arms-length transaction with a Person other than an officer, director or Affiliate.

SECTION 6.09 Burdensome Agreements.

Enter into, or permit to exist, any Contractual Obligation that (a) encumbers or restricts the ability of any such Person to (i) make Restricted Payments to any Loan Party, (ii) pay any Indebtedness or other obligation owed to any Loan Party, (iii) make loans or advances to any Loan Party, (iv) transfer any of its property to any Loan Party, (v) pledge its property pursuant to the Loan Documents or any renewals, refinancings, exchanges, refundings or extension thereof or (vi) act as a Loan Party pursuant to the Loan Documents or any renewals, refinancings, exchanges, refundings or extension thereof, except (in respect of any of the matters referred to in clauses (i)-(v) above) for (1) this Agreement and the other Loan Documents, (2) any document or instrument governing Indebtedness incurred pursuant to Section 6.03(e), provided that any such restriction contained therein relates only to the asset or assets constructed or acquired in connection

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therewith, (3) any Permitted Lien or any document or instrument governing any Permitted Lien, provided that any such restriction contained therein relates only to the asset or assets subject to such Permitted Lien or (4) customary restrictions and conditions contained in any agreement relating to the sale of any property permitted under Section 6.05 pending the consummation of such sale, or (b) requires the grant of any security for any obligation if such property is given as security for the Obligations.

SECTION 6.10 Use of Proceeds.

Use the proceeds of any Credit Event, whether directly or indirectly, and whether immediately, incidentally or ultimately, (i) to purchase or carry margin stock (within the meaning of Regulation U of the FRB) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose in each case, in contravention of Regulation U of the FRB or (ii) in contravention of Section 5.11(b).

SECTION 6.11 Financial Covenants.

(a) Maximum Consolidated Leverage Ratio. Permit the Consolidated Leverage Ratio as of the end of any fiscal quarter of the Company, commencing with the fiscal quarter ending December 31, 2018, to be greater than to 2.50 to 1.00. Notwithstanding the foregoing, the Company shall be permitted, but in no event on more than two (2) occasions during the term of this Agreement, to allow the maximum Consolidated Leverage Ratio permitted under this Section 6.11(a) to be increased to 2.75 to 1.00 for a period of four consecutive fiscal quarters (such period, an “Adjusted Covenant Period”) in connection with a Permitted Acquisition occurring during the first of such four fiscal quarters if the aggregate consideration paid or to be paid in respect of such Acquisition exceeds \$30,000,000 (and in respect of which the Company shall provide notice in writing to the Administrative Agent (for distribution to the Lenders) of such increase and a transaction description of such Acquisition (regarding the name or description of the Person or summary description of the assets being acquired and the approximate purchase price)), so long as the Company is in compliance on a Pro Forma Basis with the maximum Consolidated Leverage Ratio of 2.75 to 1.00 on the closing date of such Acquisition immediately after giving effect (including giving effect on a Pro Forma Basis) to such Acquisition; provided that it is understood and agreed that (x) the Company may not elect a new Adjusted Covenant Period for at least one fiscal quarter following the end of an Adjusted Covenant Period and (y) at the end of an Adjusted Covenant Period, the maximum Consolidated Leverage Ratio permitted under this Section 6.11(a) shall revert to 2.50 to 1.00 as of the end of such Adjusted Covenant Period and thereafter until another Adjusted Covenant Period (if any) is elected pursuant to the terms and conditions described above.

(b) Minimum Consolidated Interest Coverage Ratio. Permit the Consolidated Interest Coverage Ratio as of the end of any fiscal quarter of the Company, commencing with the fiscal quarter ending December 31, 2018, to be less than 3.50 to 1.00.

SECTION 6.12 Prepayment of Subordinated Debt, Etc.

(a) Amend or modify any of the terms of any Subordinated Debt except as permitted by the document evidencing such Subordinated Debt or in the intercreditor or subordination agreement relating thereto.

(b) Make (or give any notice with respect thereto) any payment, redemption or acquisition for value of (including without limitation, by way of depositing money or securities with the trustee with respect thereto before due for the purpose of paying when due), refund, refinance or exchange of any Subordinated Debt except as permitted by the document evidencing such Subordinated Debt or in

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the intercreditor or subordination agreement relating thereto; provided, that so long as (i) no Default exists immediately prior and after giving effect thereto and (ii) the Loan Parties are in compliance with Section 6.11(b) after giving effect thereto on a Pro Forma Basis, the Company may make prepayments of Subordinated Debt.

SECTION 6.13 Organization Documents; Fiscal Year; Legal Name, State of Formation and Form of Entity.

(a) Amend, modify or change its Organization Documents in a manner adverse to the rights of the Lenders under the Loan Documents.

(b) Change its fiscal year.

(c) In the case of any Loan Party, without providing ten (10) days prior written notice to the Administrative Agent, change its name, state of formation or form of organization.

SECTION 6.14 Ownership of Subsidiaries.

Notwithstanding any other provisions of this Agreement to the contrary, permit any Person (other than the Company or any wholly-owned Subsidiary) to own any Equity Interests of any Subsidiary, except to qualify directors where required by applicable Law or to satisfy other requirements of applicable Law with respect to the ownership of Equity Interests of Foreign Subsidiaries.

SECTION 6.15 Sale Leasebacks; Synthetic Leases; Securitization Transactions.

Enter into any Sale and Leaseback Transaction, Synthetic Lease or Securitization Transaction.

ARTICLE VII

Events of Default

If any of the following events (“Events of Default”) shall occur:

(a) Non-Payment. Any Loan Party fails to pay (i) when and as required to be paid herein, and in the currency required hereunder, any amount of principal of any Loan or any LC Exposure, or (ii) within three Business Days after the same becomes due, any interest on any Loan or on any LC Exposure, or any fee due hereunder, or (iii) within five Business Days after the same becomes due, any other amount payable hereunder or under any other Loan Document; or

(b) Specific Covenants. Any Loan Party fails to perform or observe any term, covenant or agreement contained in (i) Sections 5.01 or 5.02 and such failure continues for five Business Days or (ii) any of Section 5.03(a), 5.05(a) (with respect to the legal existence of the Borrowers only), 5.11, 5.13 or 5.14 or Article VI; or

(c) Other Defaults. Any Loan Party fails to perform or observe any other covenant or agreement (not specified in subsection (a) or (b) above) contained in any Loan Document on its part to be performed or observed and such failure continues for thirty days after the earlier of the date on which (i) a Responsible Officer of a Loan Party becomes aware of such failure or (ii) notice thereof shall have been given to the Company by the Administrative Agent or any Lender; or

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(d) Representations and Warranties. Any representation, warranty, certification or statement of fact made or deemed made by or on behalf of any Loan Party herein, in any other Loan Document, or in any document delivered in connection herewith or therewith shall be incorrect or misleading in any material respect (or, if such representation or warranty is qualified by materiality or Material Adverse Effect, proving to have been incorrect or misleading in any respect as drafted) when made or deemed made; or

(e) Cross-Default. (i) Any Loan Party or any Subsidiary (A) fails to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) in respect of any Indebtedness or Guarantee thereof (other than Indebtedness hereunder and Indebtedness under Swap Contracts) having an aggregate principal amount (including undrawn committed or available amounts and including amounts owing to all creditors under any combined or syndicated credit arrangement) of more than the Threshold Amount, or (B) fails to observe or perform any other agreement or condition relating to any such Indebtedness or Guarantee or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event occurs, the effect of which default or other event is to cause, or to permit the holder or holders of such Indebtedness or the beneficiary or beneficiaries of such Guarantee (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, with the giving of notice if required, such Indebtedness to be demanded or to become due or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such Indebtedness to be made, prior to its stated maturity, or such Guarantee to become payable or cash collateral in respect thereof to be demanded; or (ii) there occurs under any Swap Contract an Early Termination Date (as defined in such Swap Contract) resulting from (A) any event of default under such Swap Contract as to which any Loan Party or any Subsidiary is the Defaulting Party (as defined in such Swap Contract) or (B) any Termination Event (as so defined) under such Swap Contract as to which any Loan Party or any Subsidiary is an Affected Party (as so defined) and (x) in either event, the Swap Termination Value owed by the Company or such Subsidiary as a result thereof is greater than the Threshold Amount and (y) in the case of clause (ii)(B), the Company or such Subsidiary shall fail to pay such Swap Termination Value; or

(f) Insolvency Proceedings, Etc. Any Loan Party or any Subsidiary institutes or consents to the institution of any proceeding under any Debtor Relief Law, or makes an assignment for the benefit of creditors; or applies for or consents to the appointment of any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or for all or any material part of its property; or any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer is appointed without the application or consent of such Person and the appointment continues undischarged or unstayed for sixty calendar days; or any proceeding under any Debtor Relief Law relating to any such Person or to all or any material part of its property is instituted without the consent of such Person and continues undismissed or unstayed for sixty calendar days, or an order for relief is entered in any such proceeding; or

(g) Inability to Pay Debts; Attachment. (i) Any Loan Party or any Subsidiary becomes unable or admits in writing its inability or fails generally to pay its debts as they become due, or (ii) any writ or warrant of attachment or execution or similar process is issued or levied against all or any material part of the property of any such Person and is not released, vacated or fully bonded within thirty days after its issue or levy; or

(h) Judgments. There is entered against any Loan Party or any Subsidiary (i) one or more final judgments or orders for the payment of money in an aggregate amount (as to all such judgments or orders) exceeding the Threshold Amount (to the extent not covered by independent third-party insurance as to which the insurer has been notified of the claim and does not dispute coverage), or (ii) any one or more non-monetary final judgments that have, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect and, in either case, (A) enforcement proceedings are commenced by

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any creditor upon such judgment or order, or (B) there is a period of twenty consecutive days during which a stay of enforcement of such judgment, by reason of a pending appeal or otherwise, is not in effect; or

(i) ERISA. (i) An ERISA Event occurs with respect to a Pension Plan or Multiemployer Plan which has resulted or could reasonably be expected to result in liability of any Loan Party under Title IV of ERISA to the Pension Plan, Multiemployer Plan or the PBGC in an aggregate amount in excess of the Threshold Amount, or (ii) the Company or any ERISA Affiliate fails to pay when due, after the expiration of any applicable grace period, any installment payment with respect to its withdrawal liability under Section 4201 of ERISA under a Multiemployer Plan in an aggregate amount in excess of the Threshold Amount; or

(j) Invalidation of Loan Documents. Any Loan Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all the Obligations, ceases to be in full force and effect; or any Loan Party or any other Person contests in any manner the validity or enforceability of any Loan Document; or any Loan Party denies that it has any or further liability or obligation under any Loan Document, or purports to revoke, terminate or rescind any Loan Document; or

(k) Change of Control. There occurs any Change of Control; or

(l) Invalidation of Subordination Provisions. The subordination provisions contained in any document evidencing any Subordinated Debt or in any intercreditor or subordination agreement relating thereto for any reason, other than as expressly permitted hereunder or thereunder, shall cease to be in full force and effect;

then, and in every such event (other than an event with respect to any Borrower described in clause (f) or (g) of this Article), and at any time thereafter during the continuance of such event, the Administrative Agent may, and at the request of the Required Lenders shall, by notice to the Company, take any or all of the following actions, at the same or different times: (i) terminate the Commitments (and the Letter of Credit Commitments), and thereupon the Commitments (and the Letter of Credit Commitments) shall terminate immediately, (ii) declare the Loans then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and all fees and other Secured Obligations of the Borrowers accrued hereunder and under the other Loan Documents, shall become due and payable immediately, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrowers and (iii) require cash collateral for the LC Exposure in accordance with Section 2.06(j); and in case of any event with respect to any Borrower described in clause (f) or (g) of this Article, the Commitments (and the Letter of Credit Commitments) shall automatically terminate and the principal of the Loans then outstanding and cash collateral for the LC Exposure, together with accrued interest thereon and all fees and other Secured Obligations accrued hereunder and under the other Loan Documents, shall automatically become due and payable, and the obligation of the Borrowers to cash collateralize the LC Exposure as provided in clause (iii) above shall automatically become effective, in each case, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrowers.

In addition to any other rights and remedies granted to the Administrative Agent and the Lenders in the Loan Documents, the Administrative Agent on behalf of the Lenders may exercise all rights and remedies of a secured party under the UCC or any other applicable law. Without limiting the generality of the foregoing, the Administrative Agent, without demand of performance or other demand, presentment, protest,

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advertisement or notice of any kind (except any notice required by law referred to below) to or upon any Loan Party or any other Person (all and each of which demands, defenses, advertisements and notices are hereby waived by each Borrower on behalf of itself and its Subsidiaries), may in such circumstances forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, or consent to the use by any Loan Party of any cash collateral arising in respect of the Collateral on such terms as the Administrative Agent deems reasonable, and/or may forthwith sell, lease, assign give an option or options to purchase or otherwise dispose of and deliver, or acquire by credit bid on behalf of the Secured Parties, the Collateral or any part thereof (or contract to do any of the foregoing), in one or more parcels at public or private sale or sales, at any exchange, broker's board or office of the Administrative Agent or any Lender or elsewhere, upon such terms and conditions as it may deem advisable and at such prices as it may deem best, for cash or on credit or for future delivery, all without assumption of any credit risk. The Administrative Agent or any Lender shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption in any Loan Party, which right or equity is hereby waived and released by each Borrower on behalf of itself and its Subsidiaries. Each Borrower further agrees on behalf of itself and its Subsidiaries, at the Administrative Agent's request, to use commercially reasonable efforts to assemble the Collateral and make it available to the Administrative Agent at places which the Administrative Agent shall reasonably select, whether at the premises of such Borrower, another Loan Party or elsewhere. The Administrative Agent shall apply the net proceeds of any action taken by it pursuant to this Article VII, after deducting all reasonable costs and expenses of every kind incurred in connection therewith or incidental to the care or safekeeping of any of the Collateral or in any other way relating to the Collateral or the rights of the Administrative Agent and the Lenders hereunder, including reasonable attorneys' fees and disbursements, to the payment in whole or in part of the Secured Obligations, in such order as the Administrative Agent may elect, and only after such application and after the payment by the Administrative Agent of any other amount required by any provision of law, including Section 9-615(a)(3) of the New York Uniform Commercial Code, need the Administrative Agent account for the surplus, if any, to any Loan Party. To the extent permitted by applicable law, each Borrower on behalf of itself and its Subsidiaries waives all claims, damages and demands it may acquire against the Administrative Agent or any Lender arising out of the exercise by them of any rights hereunder, except direct or actual damages resulting from the gross negligence or willful misconduct of the Administrative Agent or Lender as determined by a final and non-appealable judgment of a court of competent jurisdiction. If any notice of a proposed sale or other disposition of Collateral shall be required by law, such notice shall be deemed reasonable and proper if given at least 10 days before such sale or other disposition.

## ARTICLE VIII

### The Administrative Agent

#### SECTION 8.01 Authorization and Action.

(a) Each Lender and Issuing Bank hereby irrevocably appoints the entity named as Administrative Agent in the heading of this Agreement and its successors and assigns to serve as the administrative agent and collateral agent under the Loan Documents and each Lender and Issuing Bank authorizes the Administrative Agent to take such actions as agent on its behalf and to exercise such powers under this Agreement and the other Loan Documents as are delegated to the Administrative Agent under such agreements and to exercise such powers as are reasonably incidental thereto. In addition, to the extent required under the laws of any jurisdiction other than within the United States, each Lender and Issuing Bank hereby grants to the Administrative Agent any required powers of attorney to execute and enforce any Collateral Document governed by the laws of such jurisdiction on such Lender's or such Issuing Bank's

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behalf. Without limiting the foregoing, each Lender and Issuing Bank hereby authorizes the Administrative Agent to execute and deliver, and to perform its obligations under, each of the Loan Documents to which the Administrative Agent is a party, to exercise all rights, powers and remedies that the Administrative Agent may have under such Loan Documents.

(b) As to any matters not expressly provided for herein and in the other Loan Documents (including enforcement or collection), the Administrative Agent shall not be required to exercise any discretion or take any action, but shall be required to act or to refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the written instructions of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, pursuant to the terms in the Loan Documents), and, unless and until revoked in writing, such instructions shall be binding upon each Lender and Issuing Bank; provided, however, that the Administrative Agent shall not be required to take any action that (i) the Administrative Agent in good faith believes exposes it to liability unless the Administrative Agent receives an indemnification satisfactory to it from the Lenders and the Issuing Banks with respect to such action or (ii) is contrary to this Agreement or any other Loan Document or applicable law, including any action that may be in violation of the automatic stay under any requirement of law relating to bankruptcy, insolvency or reorganization or relief of debtors or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any requirement of law relating to bankruptcy, insolvency or reorganization or relief of debtors; provided, further, that the Administrative Agent may seek clarification or direction from the Required Lenders prior to the exercise of any such instructed action and may refrain from acting until such clarification or direction has been provided. Except as expressly set forth in the Loan Documents, the Administrative Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to any Borrower, any Subsidiary or any Affiliate of any of the foregoing that is communicated to or obtained by the Person serving as Administrative Agent or any of its Affiliates in any capacity. Nothing in this Agreement shall require the Administrative Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(c) In performing its functions and duties hereunder and under the other Loan Documents, the Administrative Agent is acting solely on behalf of the Lenders and the Issuing Banks (except in limited circumstances expressly provided for herein relating to the maintenance of the Register), and its duties are entirely mechanical and administrative in nature. Without limiting the generality of the foregoing:

(i) the Administrative Agent does not assume and shall not be deemed to have assumed any obligation or duty or any other relationship as the agent, fiduciary or trustee of or for any Lender, any Issuing Bank or any Secured Party other than as expressly set forth herein and in the other Loan Documents, regardless of whether a Default or an Event of Default has occurred and is continuing (and it is understood and agreed that the use of the term “agent” (or any similar term) herein or in any other Loan Document with reference to the Administrative Agent is not intended to connote any fiduciary duty or other implied (or express) obligations arising under agency doctrine of any applicable law, and that such term is used as a matter of market custom and is intended to create or reflect only an administrative relationship between contracting parties); additionally, each Lender agrees that it will not assert any claim against the Administrative Agent based on an alleged breach of fiduciary duty by the Administrative Agent in connection with this Agreement and the transactions contemplated hereby;

(ii) where the Administrative Agent is required or deemed to act as a trustee in respect of any Collateral over which a security interest has been created pursuant to a Loan Document

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expressed to be governed by the laws of any jurisdiction other than the United States of America, the obligations and liabilities of the Administrative Agent to the Secured Parties in its capacity as trustee shall be excluded to the fullest extent permitted by applicable law; and

(iii) nothing in this Agreement or any Loan Document shall require the Administrative Agent to account to any Lender for any sum or the profit element of any sum received by the Administrative Agent for its own account.

(d) The Administrative Agent may perform any of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any of their respective duties and exercise their respective rights and powers through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities pursuant to this Agreement. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agent except to the extent that a court of competent jurisdiction determines in a final and nonappealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agent.

(e) None of any Co-Syndication Agent, any Documentation Agent or any Arranger shall have obligations or duties whatsoever in such capacity under this Agreement or any other Loan Document and shall incur no liability hereunder or thereunder in such capacity, but all such persons shall have the benefit of the indemnities provided for hereunder.

(f) In case of the pendency of any proceeding with respect to any Loan Party under any federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, the Administrative Agent (irrespective of whether the principal of any Loan or any reimbursement obligation in respect of any LC Disbursement shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on any Loan Party) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise:

(i) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, LC Disbursements and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders, the Issuing Banks and the Administrative Agent (including any claim under Sections 2.12, 2.13, 2.15, 2.17 and 9.03) allowed in such judicial proceeding; and

(ii) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such proceeding is hereby authorized by each Lender, each Issuing Bank and each other Secured Party to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, the Issuing Banks or the other Secured Parties, to pay to the Administrative Agent any amount due to it, in its capacity as the Administrative Agent, under the Loan Documents (including under Section 9.03). Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender or any Issuing Bank any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or Issuing Bank or to authorize the Administrative Agent to vote in respect of the claim of any Lender or Issuing Bank in any such proceeding.

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(g) The provisions of this Article VIII are solely for the benefit of the Administrative Agent, the Lenders and the Issuing Banks, and, except solely to the extent of the Borrowers' rights to consent pursuant to and subject to the conditions set forth in this Article VIII, none of the Borrowers or any Subsidiary, or any of their respective Affiliates, shall have any rights as a third party beneficiary under any such provisions. Each Secured Party, whether or not a party hereto, will be deemed, by its acceptance of the benefits of the Collateral and of the Guarantees of the Obligations provided under the Loan Documents, to have agreed to the provisions of this Article VIII.

SECTION 8.02 Administrative Agent's Reliance, Indemnification, Etc.

(a) Neither the Administrative Agent nor any of its Related Parties shall be (i) liable for any action taken or omitted to be taken by it under or in connection with this Agreement or the other Loan Documents (x) with the consent of or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith to be necessary, under the circumstances as provided in the Loan Documents) or (y) in the absence of its own gross negligence or willful misconduct (such absence to be presumed unless otherwise determined by a court of competent jurisdiction by a final and nonappealable judgment) or (ii) responsible in any manner to any of the Lenders for any recitals, statements, representations or warranties made by any Loan Party or any officer thereof contained in this Agreement or any other Loan Document or in any certificate, report, statement or other document referred to or provided for in, or received by the Administrative Agent under or in connection with, this Agreement or any other Loan Document or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Loan Document or for any failure of any Loan Party to perform its obligations hereunder or thereunder.

(b) The Administrative Agent shall be deemed not to have knowledge of any Default unless and until written notice thereof (stating that it is a "notice of default") is given to the Administrative Agent by the Company, a Lender or an Issuing Bank, and the Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with any Loan Document, (ii) the contents of any certificate, report or other document delivered thereunder or in connection therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth in any Loan Document or the occurrence of any Default, (iv) the sufficiency, validity, enforceability, effectiveness or genuineness of any Loan Document or any other agreement, instrument or document, (v) the satisfaction of any condition set forth in Article IV or elsewhere in any Loan Document, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent or satisfaction of any condition that expressly refers to the matters described therein being acceptable or satisfactory to the Administrative Agent or (vi) the creation, perfection or priority of Liens on the Collateral. Notwithstanding anything herein to the contrary, the Administrative Agent shall not be liable for, or be responsible for any loss, cost or expense suffered by the Company, any Subsidiary, any Lender or any Issuing Bank as a result of, any determination of the Credit Exposure, any of the component amounts thereof or any portion thereof attributable to each Lender or each Issuing Bank or any Dollar Amount thereof.

(c) Without limiting the foregoing, the Administrative Agent (i) may treat the payee of any promissory note as its holder until such promissory note has been assigned in accordance with Section 9.04, (ii) may rely on the Register to the extent set forth in Section 9.04(b), (iii) may consult with legal counsel (including counsel to the Company), independent public accountants and other experts selected by it, and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts, (iv) makes no warranty or representation to any Lender

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or Issuing Bank and shall not be responsible to any Lender or Issuing Bank for any statements, warranties or representations made by or on behalf of any Loan Party in connection with this Agreement or any other Loan Document, (v) in determining compliance with any condition hereunder to the making of a Loan, or the issuance of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or an Issuing Bank, may presume that such condition is satisfactory to such Lender or such Issuing Bank unless the Administrative Agent shall have received notice to the contrary from such Lender or such Issuing Bank sufficiently in advance of the making of such Loan or the issuance of such Letter of Credit and (vi) shall be entitled to rely on, and shall incur no liability under or in respect of this Agreement or any other Loan Document by acting upon, any notice, consent, certificate or other instrument or writing (which writing may be a fax, any electronic message, Internet or intranet website posting or other distribution) or any statement made to it orally or by telephone and believed by it to be genuine and signed or sent or otherwise authenticated by the proper party or parties (whether or not such Person in fact meets the requirements set forth in the Loan Documents for being the maker thereof).

SECTION 8.03 Posting of Communications.

(a) Each Borrower agrees that the Administrative Agent may, but shall not be obligated to, make any Communications available to the Lenders and the Issuing Banks by posting the Communications on IntraLinks™, DebtDomain, SyndTrak, ClearPar or any other electronic platform chosen by the Administrative Agent to be its electronic transmission system (the “Approved Electronic Platform”).

(b) Although the Approved Electronic Platform and its primary web portal are secured with generally-applicable security procedures and policies implemented or modified by the Administrative Agent from time to time (including, as of the Effective Date, a user ID/password authorization system) and the Approved Electronic Platform is secured through a per-deal authorization method whereby each user may access the Approved Electronic Platform only on a deal-by-deal basis, each of the Lenders, the Issuing Banks and the Borrowers acknowledges and agrees that the distribution of material through an electronic medium is not necessarily secure, that the Administrative Agent is not responsible for approving or vetting the representatives or contacts of any Lender that are added to the Approved Electronic Platform, and that there are confidentiality and other risks associated with such distribution. Each of the Lenders, the Issuing Banks and the Borrowers hereby approves distribution of the Communications through the Approved Electronic Platform and understands and assumes the risks of such distribution.

(c) THE APPROVED ELECTRONIC PLATFORM AND THE COMMUNICATIONS ARE PROVIDED “AS IS” AND “AS AVAILABLE”. THE APPLICABLE PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE COMMUNICATIONS, OR THE ADEQUACY OF THE APPROVED ELECTRONIC PLATFORM AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS OR OMISSIONS IN THE APPROVED ELECTRONIC PLATFORM AND THE COMMUNICATIONS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY THE APPLICABLE PARTIES IN CONNECTION WITH THE COMMUNICATIONS OR THE APPROVED ELECTRONIC PLATFORM. IN NO EVENT SHALL THE ADMINISTRATIVE AGENT, ANY ARRANGER, ANY CO-SYNDICATION AGENT, ANY DOCUMENTATION AGENT OR ANY OF THEIR RESPECTIVE RELATED PARTIES (COLLECTIVELY, “APPLICABLE PARTIES”) HAVE ANY LIABILITY TO ANY LOAN PARTY, ANY LENDER, THE ISSUING BANK OR ANY OTHER PERSON OR ENTITY FOR DAMAGES OF ANY KIND, INCLUDING DIRECT OR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, LOSSES OR EXPENSES (WHETHER IN TORT, CONTRACT OR

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OTHERWISE) ARISING OUT OF ANY LOAN PARTY'S OR THE ADMINISTRATIVE AGENT'S TRANSMISSION OF COMMUNICATIONS THROUGH THE INTERNET OR THE APPROVED ELECTRONIC PLATFORM, EXCEPT WITH RESPECT TO ACTUAL OR DIRECT DAMAGES TO THE EXTENT DETERMINED BY A COURT OF COMPETENT JURISDICTION BY FINAL AND NONAPPEALABLE JUDGMENT TO HAVE RESULTED FROM ITS WILLFUL MISCONDUCT OR GROSS NEGLIGENCE IN CONNECTION WITH ANY SUCH TRANSMISSION.

(d) Each Lender and each Issuing Bank agrees that notice to it (as provided in the next sentence) specifying that Communications have been posted to the Approved Electronic Platform shall constitute effective delivery of the Communications to such Lender for purposes of the Loan Documents. Each Lender and each Issuing Bank agrees (i) to notify the Administrative Agent in writing (which could be in the form of electronic communication) from time to time of such Lender's or such Issuing Bank's (as applicable) email address to which the foregoing notice may be sent by electronic transmission and (ii) that the foregoing notice may be sent to such email address.

(e) Each of the Lenders, the Issuing Banks and the Borrowers agrees that the Administrative Agent may, but (except as may be required by applicable law) shall not be obligated to, store the Communications on the Approved Electronic Platform in accordance with the Administrative Agent's generally applicable document retention procedures and policies.

(f) Nothing herein shall prejudice the right of the Administrative Agent, any Lender or any Issuing Bank to give any notice or other communication pursuant to any Loan Document in any other manner specified in such Loan Document.

SECTION 8.04 The Administrative Agent Individually. With respect to its Commitment, Loans and Letters of Credit, the Person serving as the Administrative Agent shall have and may exercise the same rights and powers hereunder and is subject to the same obligations and liabilities as and to the extent set forth herein for any other Lender or Issuing Bank, as the case may be. The terms "Issuing Banks", "Lenders", "Required Lenders" and any similar terms shall, unless the context clearly otherwise indicates, include the Administrative Agent in its individual capacity as a Lender, an Issuing Bank or as one of the Required Lenders, as applicable. The Person serving as the Administrative Agent and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of banking, trust or other business with, any Borrower, any Subsidiary or any Affiliate of any of the foregoing as if such Person was not acting as the Administrative Agent and without any duty to account therefor to the Lenders or the Issuing Banks.

SECTION 8.05 Successor Administrative Agent.

(a) The Administrative Agent may resign at any time by giving 30 days' prior written notice thereof to the Lenders, the Issuing Banks and the Company, whether or not a successor Administrative Agent has been appointed. Upon any such resignation, the Required Lenders shall have the right to appoint a successor Administrative Agent. If no successor Administrative Agent shall have been so appointed by the Required Lenders, and shall have accepted such appointment, within 30 days after the retiring Administrative Agent's giving of notice of resignation, then the retiring Administrative Agent may, on behalf of the Lenders and the Issuing Banks, appoint a successor Administrative Agent, which shall be a bank with an office in New York, New York or an Affiliate of any such bank. In either case, such appointment shall be subject to the prior written approval of the Company (which approval may not be unreasonably withheld and shall not be required while an Event of Default has occurred and is continuing). Upon the acceptance of any appointment as Administrative Agent by a successor Administrative Agent, such successor Administrative

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Agent shall succeed to, and become vested with, all the rights, powers, privileges and duties of the retiring Administrative Agent. Upon the acceptance of appointment as Administrative Agent by a successor Administrative Agent, the retiring Administrative Agent shall be discharged from its duties and obligations under this Agreement and the other Loan Documents. Prior to any retiring Administrative Agent's resignation hereunder as Administrative Agent, the retiring Administrative Agent shall take such action as may be reasonably necessary to assign to the successor Administrative Agent its rights as Administrative Agent under the Loan Documents.

(b) Notwithstanding paragraph (a) of this Section, in the event no successor Administrative Agent shall have been so appointed and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its intent to resign, the retiring Administrative Agent may give notice of the effectiveness of its resignation to the Lenders, the Issuing Banks and the Company, whereupon, on the date of effectiveness of such resignation stated in such notice, (i) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents; provided that, solely for purposes of maintaining any security interest granted to the Administrative Agent under any Collateral Document for the benefit of the Secured Parties, the retiring Administrative Agent shall continue to be vested with such security interest as collateral agent for the benefit of the Secured Parties, and continue to be entitled to the rights set forth in such Collateral Document and Loan Document, and, in the case of any Collateral in the possession of the Administrative Agent, shall continue to hold such Collateral, in each case until such time as a successor Administrative Agent is appointed and accepts such appointment in accordance with this Section (it being understood and agreed that the retiring Administrative Agent shall have no duty or obligation to take any further action under any Collateral Document, including any action required to maintain the perfection of any such security interest) and (ii) the Required Lenders shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent; provided that (A) all payments required to be made hereunder or under any other Loan Document to the Administrative Agent for the account of any Person other than the Administrative Agent shall be made directly to such Person and (B) all notices and other communications required or contemplated to be given or made to the Administrative Agent shall directly be given or made to each Lender and each Issuing Bank. Following the effectiveness of the Administrative Agent's resignation from its capacity as such, the provisions of this Article VIII and Section 9.03, as well as any exculpatory, reimbursement and indemnification provisions set forth in any other Loan Document, shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent and in respect of the matters referred to in the proviso under clause (i) above.

SECTION 8.06 Acknowledgements of Lenders and Issuing Banks.

(a) Each Lender represents that it is engaged in making, acquiring or holding commercial loans in the ordinary course of its business and that it has, independently and without reliance upon the Administrative Agent, any Arranger or any other Lender, or any of the Related Parties of any of the foregoing, and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement as a Lender, and to make, acquire or hold Loans hereunder. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent, any Arranger or any other Lender, or any of the Related Parties of any of the foregoing, and based on such documents and information (which may contain material, non-public information within the meaning of the United States securities laws concerning the Company and its Affiliates) as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

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(b) Each Lender, by delivering its signature page to this Agreement on the Effective Date, or delivering its signature page to an Assignment and Assumption or any other Loan Document pursuant to which it shall become a Lender hereunder, shall be deemed to have acknowledged receipt of, and consented to and approved, each Loan Document and each other document required to be delivered to, or be approved by or satisfactory to, the Administrative Agent or the Lenders on the Effective Date.

SECTION 8.07 Collateral Matters.

(a) Except with respect to the exercise of setoff rights in accordance with Section 9.08 or with respect to a Secured Party's right to file a proof of claim in an insolvency proceeding, no Secured Party shall have any right individually to realize upon any of the Collateral or to enforce any Guarantee of the Obligations, it being understood and agreed that all powers, rights and remedies under the Loan Documents may be exercised solely by the Administrative Agent on behalf of the Secured Parties in accordance with the terms thereof. In its capacity, the Administrative Agent is a "representative" of the Secured Parties within the meaning of the term "secured party" as defined in the UCC. In the event that any Collateral is hereafter pledged by any Person as collateral security for the Secured Obligations, the Administrative Agent is hereby authorized, and hereby granted a power of attorney, to execute and deliver on behalf of the Secured Parties any Loan Documents necessary or appropriate to grant and perfect a Lien on such Collateral in favor of the Administrative Agent on behalf of the Secured Parties.

(b) In furtherance of the foregoing and not in limitation thereof, no Banking Services Agreement or Swap Agreement will create (or be deemed to create) in favor of any Secured Party that is a party thereto any rights in connection with the management or release of any Collateral or of the obligations of any Loan Party under any Loan Document. By accepting the benefits of the Collateral, each Secured Party that is a party to any such Banking Services Agreement or Swap Agreement, as applicable, shall be deemed to have appointed the Administrative Agent to serve as administrative agent and collateral agent under the Loan Documents and agreed to be bound by the Loan Documents as a Secured Party thereunder, subject to the limitations set forth in this paragraph.

(c) The Secured Parties irrevocably authorize the Administrative Agent, at its option and in its discretion, to subordinate any Lien on any property granted to or held by the Administrative Agent under any Loan Document to the holder of any Lien on such property that is permitted by Sections 6.02(d), (e), (f), (g) or (h). The Administrative Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of the Administrative Agent's Lien thereon or any certificate prepared by any Loan Party in connection therewith, nor shall the Administrative Agent be responsible or liable to the Lenders or any other Secured Party for any failure to monitor or maintain any portion of the Collateral.

SECTION 8.08 Credit Bidding. The Secured Parties hereby irrevocably authorize the Administrative Agent, at the direction of the Required Lenders, to credit bid all or any portion of the Secured Obligations (including by accepting some or all of the Collateral in satisfaction of some or all of the Secured Obligations pursuant to a deed in lieu of foreclosure or otherwise) and in such manner purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral (a) at any sale thereof conducted under the provisions of the Bankruptcy Code, including under Sections 363, 1123 or 1129 of the Bankruptcy Code, or any similar laws in any other jurisdictions to which a Loan Party is subject, or (b) at any other sale, foreclosure or acceptance of collateral in lieu of debt conducted by (or with the consent or at the direction of) the Administrative Agent (whether by judicial action or otherwise) in accordance with any applicable law. In connection with any such credit bid and purchase, the Secured Obligations owed to the Secured Parties shall be entitled to be, and shall be, credit bid by the Administrative Agent at the direction

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of the Required Lenders on a ratable basis (with Secured Obligations with respect to contingent or unliquidated claims receiving contingent interests in the acquired assets on a ratable basis that shall vest upon the liquidation of such claims in an amount proportional to the liquidated portion of the contingent claim amount used in allocating the contingent interests) for the asset or assets so purchased (or for the equity interests or debt instruments of the acquisition vehicle or vehicles that are issued in connection with such purchase). In connection with any such bid, (i) the Administrative Agent shall be authorized to form one or more acquisition vehicles and to assign any successful credit bid to such acquisition vehicle or vehicles, (ii) each of the Secured Parties' ratable interests in the Secured Obligations which were credit bid shall be deemed without any further action under this Agreement to be assigned to such vehicle or vehicles for the purpose of closing such sale, (iii) the Administrative Agent shall be authorized to adopt documents providing for the governance of the acquisition vehicle or vehicles (provided that any actions by the Administrative Agent with respect to such acquisition vehicle or vehicles, including any disposition of the assets or equity interests thereof, shall be governed, directly or indirectly, by, and the governing documents shall provide for, control by the vote of the Required Lenders or their permitted assignees under the terms of this Agreement or the governing documents of the applicable acquisition vehicle or vehicles, as the case may be, irrespective of the termination of this Agreement and without giving effect to the limitations on actions by the Required Lenders contained in Section 9.02 of this Agreement), (iv) the Administrative Agent on behalf of such acquisition vehicle or vehicles shall be authorized to issue to each of the Secured Parties, ratably on account of the relevant Secured Obligations which were credit bid, interests, whether as equity, partnership, limited partnership interests or membership interests, in any such acquisition vehicle and/or debt instruments issued by such acquisition vehicle, all without the need for any Secured Party or acquisition vehicle to take any further action, and (v) to the extent that Secured Obligations that are assigned to an acquisition vehicle are not used to acquire Collateral for any reason (as a result of another bid being higher or better, because the amount of Secured Obligations assigned to the acquisition vehicle exceeds the amount of Secured Obligations credit bid by the acquisition vehicle or otherwise), such Secured Obligations shall automatically be reassigned to the Secured Parties pro rata with their original interest in such Secured Obligations and the equity interests and/or debt instruments issued by any acquisition vehicle on account of such Secured Obligations shall automatically be cancelled, without the need for any Secured Party or any acquisition vehicle to take any further action. Notwithstanding that the ratable portion of the Secured Obligations of each Secured Party are deemed assigned to the acquisition vehicle or vehicles as set forth in clause (ii) above, each Secured Party shall execute such documents and provide such information regarding the Secured Party (and/or any designee of the Secured Party which will receive interests in or debt instruments issued by such acquisition vehicle) as the Administrative Agent may reasonably request in connection with the formation of any acquisition vehicle, the formulation or submission of any credit bid or the consummation of the transactions contemplated by such credit bid.

SECTION 8.09 Certain ERISA Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, and the Arrangers and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrowers or any other Loan Party, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of the Plan Asset Regulations) of one or more Benefit Plans in connection with the Loans, the Letters of Credit or the Commitments,

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(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or such Lender has not provided another representation, warranty and covenant as provided in sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent, and the Arrangers and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrowers or any other Loan Party, that none of the Administrative Agent, or the Arrangers or any of their respective Affiliates is a fiduciary with respect to the Collateral or the assets of such Lender (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

(c) The Administrative Agent and each Arranger hereby informs the Lenders that each such Person is not undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the transactions contemplated hereby, and that such Person has a financial interest in the transactions contemplated hereby in that such Person or an Affiliate thereof (i) may receive interest or other payments with respect to the Loans, the Letters of Credit, the Commitments and this Agreement, (ii) may recognize a gain if it extended the Loans, the Letters of Credit or the Commitments for an amount less than the amount being paid for an interest in the Loans, the Letters of Credit or the Commitments by such Lender or (iii) may receive fees or other payments in connection with the transactions contemplated hereby, the Loan Documents or otherwise, including structuring fees, commitment fees, arrangement fees, facility fees, commitment fees, upfront fees, underwriting fees, ticking fees, agency fees, administrative agent fees or collateral agent fees, utilization fees, minimum usage fees, letter of credit fees, fronting fees, deal-away or alternate transaction fees, amendment fees, processing fees, term out premiums, banker's acceptance fees, breakage or other early termination fees or fees similar to the foregoing.

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## ARTICLE IX

### Miscellaneous

SECTION 9.01 Notices. (a) Except in the case of notices and other communications expressly permitted to be given by telephone (and subject to paragraph (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopy, as follows:

(i) if to any Borrower, to it c/o DHI Group, Inc., 12150 Meredith Drive, Urbandale, IA 50323 Attention of Luc Gregoire (email: luc.gregoire@dhigroupinc.com), Greg Schippers (email: greg.schippers@dhigroupinc.com), Angie Macke (email: angie.macke@dhigroupinc.com) Brian Campbell (email: brian.campbell@dhigroupinc.com), Jack Connolly (email: jack.connolly@dhigroupinc.com);

(ii) if to the Administrative Agent, (A) in the case of Borrowings by the Company denominated in Dollars, to JPMorgan Chase Bank, N.A., Loan and Agency Services Group, 10 South Dearborn, 7<sup>th</sup> Floor, Chicago, Illinois 60603, Attention of April Yebd (Telecopy No. (888) 292-9533) and (B) in the case of Borrowings denominated in Foreign Currencies, to J.P. Morgan Europe Limited, 25 Bank Street, Canary Wharf, London E14 5JP, Attention of The Manager, Loan & Agency Services (Telecopy No. 44 207 777 2360), and in each case with a copy to JPMorgan Chase Bank, N.A., 270 Park Avenue, New York, New York 10017, Attention of Justin Burton (Telecopy No. (917) 546-2609);

(iii) if to JPMorgan in its capacity as an Issuing Bank, to it at JPMorgan Chase Bank, N.A., Loan and Agency Services Group, 10 South Dearborn, 7<sup>th</sup> Floor, Chicago, Illinois 60603, Attention of April Yebd (Telecopy No. (888) 292-9533) and in each case with a copy to JPMorgan Chase Bank, N.A., 560 Mission Street, 19<sup>th</sup> Floor, San Francisco, California 94105, Attention of Min Park (Telecopy No. (415) 226-0799); and

(iv) if to any other Lender or Issuing Bank, to it at its address (or telecopy number) set forth in its Administrative Questionnaire.

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next business day for the recipient). Notices delivered through Approved Electronic Platforms, to the extent provided in paragraph (b) below, shall be effective as provided in said paragraph (b).

(b) Notices and other communications to the Lenders and the Issuing Banks hereunder may be delivered or furnished by using Approved Electronic Platforms pursuant to procedures approved by the Administrative Agent; provided that the foregoing shall not apply to notices pursuant to Article II unless otherwise agreed by the Administrative Agent and the applicable Lender. The Administrative Agent or the Company may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications. Without limiting the foregoing the Administrative Agent agrees that, unless it shall otherwise advise the Company, notices to be delivered by any Borrower to the

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Administrative Agent pursuant to Article II (including any such notices permitted to be given by telephone or teletype) may be delivered using Approved Electronic Platforms.

(c) Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (i), of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii) above, if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(d) Any party hereto may change its address or teletype number for notices and other communications hereunder by notice to the other parties hereto.

SECTION 9.02 Waivers; Amendments. (a) No failure or delay by the Administrative Agent, any Issuing Bank or any Lender in exercising any right or power hereunder or under any other Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Administrative Agent, the Issuing Banks and the Lenders hereunder and under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or consent to any departure by any Borrower therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan or issuance of a Letter of Credit shall not be construed as a waiver of any Default, regardless of whether the Administrative Agent, any Lender or any Issuing Bank may have had notice or knowledge of such Default at the time.

(b) Except as provided in Section 2.20 with respect to an Incremental Term Loan Amendment or as provided in Section 2.14(c), neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Borrowers and the Required Lenders or by the Borrowers and the Administrative Agent with the consent of the Required Lenders; provided that no such agreement shall (i) increase the Commitment of any Lender without the written consent of such Lender, (ii) reduce the principal amount of any Loan or LC Disbursement or reduce the rate of interest thereon, or reduce any fees payable hereunder, without the written consent of each Lender directly affected thereby (it being understood that neither (A) any amendment or modification to the financial covenants in this Agreement (or the defined terms used in the financial covenants in this Agreement) or to Section 1.04 or (B) any amendment entered into pursuant to the terms of Section 2.14(c) shall constitute a reduction in the rate of interest or fees for the purpose of this clause (ii)), (iii) postpone the scheduled date of payment of the principal amount of any Loan or LC Disbursement, or any interest thereon, or any fees payable hereunder, or reduce the amount of, waive or excuse any such payment, or postpone the scheduled date of expiration of any Commitment, without the written consent of each Lender directly affected thereby, (iv) change Section 2.09(c) or 2.18(b) or (d) in a manner that would alter the ratable reduction of Commitments or the pro rata sharing of payments required thereby, without the written consent of each Lender, (v) change the payment waterfall provisions of Section 2.18(b) without the written consent of each Lender, (vi) change any of the provisions of this Section or the definition of "Required Lenders" or any other

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provision hereof specifying the number or percentage of Lenders required to waive, amend or modify any rights hereunder or make any determination or grant any consent hereunder, without the written consent of each Lender (it being understood that, solely with the consent of the parties prescribed by Section 2.20 to be parties to an Incremental Term Loan Amendment, Incremental Term Loans may be included in the determination of Required Lenders on substantially the same basis as the Commitments and the Revolving Loans are included on the Effective Date), (vii) release the Company or all or substantially all of the Subsidiary Guarantors from their obligations under Article X or the Subsidiary Guaranty, in each case, without the written consent of each Lender, or (viii) except as provided in clause (d) of this Section or in any Collateral Document, release all or substantially all of the Collateral, without the written consent of each Lender; provided further that no such agreement shall amend, modify or otherwise affect the rights or duties of the Administrative Agent or any Issuing Bank hereunder without the prior written consent of the Administrative Agent or such Issuing Bank, as the case may be (it being understood that any change to Section 2.23 shall require the consent of the Administrative Agent and the Issuing Banks). Notwithstanding the foregoing, no consent with respect to any amendment, waiver or other modification of this Agreement shall be required of any Defaulting Lender, except with respect to any amendment, waiver or other modification referred to in clause (i), (ii) or (iii) of the first proviso of this paragraph and then only in the event such Defaulting Lender shall be directly affected by such amendment, waiver or other modification.

(c) Notwithstanding the foregoing, this Agreement and any other Loan Document may be amended (or amended and restated) with the written consent of the Required Lenders, the Administrative Agent and the Borrowers (x) to add one or more credit facilities (in addition to the Incremental Term Loans pursuant to an Incremental Term Loan Amendment) to this Agreement and to permit extensions of credit from time to time outstanding thereunder and the accrued interest and fees in respect thereof to share ratably in the benefits of this Agreement and the other Loan Documents with the Revolving Loans, Incremental Term Loans and the accrued interest and fees in respect thereof and (y) to include appropriately the Lenders holding such credit facilities in any determination of the Required Lenders and Lenders.

(d) The Lenders hereby irrevocably authorize and direct the Administrative Agent to release any Liens granted to the Administrative Agent by the Loan Parties on any Collateral (i) upon the termination of all the Commitments, payment and satisfaction in full in cash of all Secured Obligations (other than Swap Obligations not yet due and payable, Banking Services Obligations not yet due and payable, Unliquidated Obligations for which no claim has been made and other Obligations expressly stated to survive such payment and termination), and the cash collateralization or entry into other arrangements in respect of all Unliquidated Obligations consisting of undrawn Letters of Credit in a manner satisfactory to the Administrative Agent, (ii) constituting property being sold or disposed of if the Company certifies to the Administrative Agent that the sale or disposition is made in compliance with the terms of this Agreement (and the Administrative Agent may rely conclusively on any such certificate, without further inquiry), (iii) constituting property leased to the Company or any Subsidiary under a lease which has expired or been terminated in a transaction permitted under this Agreement, or (iv) as required to effect any sale or other disposition of such Collateral in connection with any exercise of remedies of the Administrative Agent and the Lenders pursuant to Article VII. Any such release shall not in any manner discharge, affect, or impair the Secured Obligations or any Liens (other than those expressly being released) upon (or obligations of the Loan Parties in respect of) all interests retained by the Loan Parties, including the proceeds of any sale, all of which shall continue to constitute part of the Collateral.

(e) If, in connection with any proposed amendment, waiver or consent requiring the consent of “each Lender” or “each Lender directly affected thereby,” the consent of the Required Lenders is obtained, but the consent of other necessary Lenders is not obtained (any such Lender whose consent is necessary but not obtained being referred to herein as a “Non-Consenting Lender”), then the Company may

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elect to replace a Non-Consenting Lender as a Lender party to this Agreement, provided that, concurrently with such replacement, (i) another bank or other entity which is reasonably satisfactory to the Company and the Administrative Agent shall agree, as of such date, to purchase for cash the Loans and other Obligations due to the Non-Consenting Lender pursuant to an Assignment and Assumption and to become a Lender for all purposes under this Agreement and to assume all obligations of the Non-Consenting Lender to be terminated as of such date and to comply with the requirements of clause (b) of Section 9.04, (ii) each Borrower shall pay to such Non-Consenting Lender in same day funds on the day of such replacement (1) all interest, fees and other amounts then accrued but unpaid to such Non-Consenting Lender by such Borrower hereunder to and including the date of termination, including without limitation payments due to such Non-Consenting Lender under Sections 2.15 and 2.17, and (2) an amount, if any, equal to the payment which would have been due to such Lender on the day of such replacement under Section 2.16 had the Loans of such Non-Consenting Lender been prepaid on such date rather than sold to the replacement Lender and (iii) such Non-Consenting Lender shall have received the outstanding principal amount of its Loans and participations in LC Disbursements. Each party hereto agrees that (a) an assignment required pursuant to this paragraph may be effected pursuant to an Assignment and Assumption executed by the Company, the Administrative Agent and the assignee (or, to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to an Approved Electronic Platform as to which the Administrative Agent and such parties are participants), and (b) the Lender required to make such assignment need not be a party thereto in order for such assignment to be effective and shall be deemed to have consented to and be bound by the terms thereof; provided that, following the effectiveness of any such assignment, the other parties to such assignment agree to execute and deliver such documents necessary to evidence such assignment as reasonably requested by the applicable Lender, provided that any such documents shall be without recourse to or warranty by the parties thereto.

(f) Notwithstanding anything to the contrary herein the Administrative Agent may, with the consent of the Borrowers only, amend, modify or supplement this Agreement or any of the other Loan Documents to cure any ambiguity, omission, mistake, defect or inconsistency.

SECTION 9.03 Expenses; Indemnity; Damage Waiver. (a) The Company shall pay (i) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent and its Affiliates, including the reasonable and documented fees, charges and disbursements of one primary counsel, and one additional local counsel in each applicable jurisdiction, for the Administrative Agent, in connection with the syndication and distribution (including, without limitation, via the internet or through a service such as Intralinks) of the credit facilities provided for herein, the preparation and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) all reasonable and documented out-of-pocket expenses incurred by the Issuing Banks in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder and (iii) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent, any Issuing Bank or any Lender, including the fees, charges and disbursements of any one primary counsel, and one additional local counsel in each applicable jurisdiction, for the Administrative Agent and one additional counsel for all the Lenders other than the Administrative Agent and additional counsel in light of actual or potential conflicts of interest or the availability of different claims or defenses, in connection with the enforcement or protection of its rights in connection with this Agreement and any other Loan Document, including its rights under this Section, or in connection with the Loans made or Letters of Credit issued hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit.

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(b) The Company shall indemnify the Administrative Agent, each Arrangers, each Issuing Bank and each Lender, and each Related Party of any of the foregoing Persons (each such Person being called an “Indemnitee”) against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and reasonable and documented related expenses, including the fees, charges and disbursements of any counsel for any Indemnitee, incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of (i) the execution or delivery of any Loan Document or any agreement or instrument contemplated thereby, the performance by the parties hereto of their respective obligations thereunder or the consummation of the Transactions or any other transactions contemplated hereby, (ii) any Loan or Letter of Credit or the use of the proceeds therefrom (including any refusal by any Issuing Bank to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by the Company or any of its Subsidiaries, or any Environmental Liability related in any way to the Company or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation, arbitration or proceeding relating to any of the foregoing, whether or not such claim, litigation, investigation, arbitration or proceeding is brought by the Company or any other Loan Party or its or their respective equity holders, Affiliates, creditors or any other third Person and whether based on contract, tort or any other theory and regardless of whether any Indemnitee is a party thereto; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from (x) the gross negligence or willful misconduct of such Indemnitee, (y) the material breach in bad faith by such Indemnitee of its express contractual obligations under the Credit Documentation pursuant to a claim initiated by the Company or (z) any dispute that does not involve or arise from an act or omission by the Company or any of its Affiliates and that is brought by such Indemnitee against any other Indemnitee (other than any proceeding against any Indemnitee or any of its Affiliates solely in its capacity or in fulfilling its role as the Administrative Agent, an Arranger, an Issuing Bank, a lead arranger, a bookrunner, an agent or any similar role under this Agreement). This Section 9.03(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims or damages arising from any non-Tax claim.

(c) To the extent that the Company fails to pay any amount required to be paid by it to the Administrative Agent or any Issuing Bank under paragraph (a) or (b) of this Section, each Lender severally agrees to pay to the Administrative Agent and each Lender severally agrees to pay to such Issuing Bank such Lender’s Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount (it being understood that the Company’s failure to pay any such amount shall not relieve the Company of any default in the payment thereof); provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent or such Issuing Bank in its capacity as such.

(d) To the extent permitted by applicable law, no Borrower shall assert, and each Borrower hereby waives, any claim against any Indemnitee for any damages arising from the use by others of information or other materials obtained through telecommunications, electronic or other information transmission systems (including the Internet) other than for direct or actual damages resulting from the gross negligence or willful misconduct of such Indemnitee as determined by a final and non-appealable judgment of a court of competent jurisdiction. To the extent permitted by applicable law, no Indemnitee shall assert against any Borrower or its Related Parties, and no Borrower shall assert against any Indemnitee, and each Indemnitee and each Borrower hereby waives, any claim on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the Transactions, any Loan or Letter of Credit or the use of the proceeds thereof; provided,

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that nothing contained in this sentence shall limit the Company's indemnity obligations to the extent set forth in Section 9.03(b).

(e) All amounts due under this Section shall be payable not later than twenty (20) days after written demand therefor.

SECTION 9.04 Successors and Assigns. (a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby (including any Affiliate of any Issuing Bank that issues any Letter of Credit), except that (i) no Borrower may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by any Borrower without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby (including any Affiliate of any Issuing Bank that issues any Letter of Credit), Participants (to the extent provided in paragraph (c) of this Section) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the Issuing Banks and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) (i) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may assign to one or more Persons (other than an Ineligible Institution) all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld, conditioned or delayed) of:

(A) the Company (provided that the Company shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within ten (10) Business Days after having received notice thereof); provided, further, that no consent of the Company shall be required for an assignment to a Lender, an Affiliate of a Lender, an Approved Fund or, if an Event of Default has occurred and is continuing, any other assignee;

(B) the Administrative Agent; and

(C) the Issuing Banks;

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender or an Affiliate of a Lender or an Approved Fund or an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than \$5,000,000 unless each of the Company and the Administrative Agent otherwise consent, provided that no such consent of the Company shall be required if an Event of Default has occurred and is continuing;

(B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement, provided that this clause shall not be construed to prohibit the assignment of a proportionate

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part of all the assigning Lender's rights and obligations in respect of the Commitments or Loans;

(C) the parties to each assignment shall execute and deliver to the Administrative Agent (x) an Assignment and Assumption or (y) to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to an Approved Electronic Platform as to which the Administrative Agent and the parties to the Assignment and Assumption are participants, together with a processing and recordation fee of \$3,500, such fee to be paid by either the assigning Lender or the assignee Lender or shared between such Lenders; and

(D) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire in which the assignee designates one or more credit contacts to whom all syndicate-level information (which may contain material non-public information about the Company and its Affiliates and their Related Parties or their respective securities) will be made available and who may receive such information in accordance with the assignee's compliance procedures and applicable laws, including Federal and state securities laws.

For the purposes of this Section 9.04(b), the terms "Approved Fund" and "Ineligible Institution" have the following meanings:

"Approved Fund" means any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course of its business and that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

"Ineligible Institution" means (a) a natural person, (b) a Defaulting Lender or its Lender Parent, (c) the Company, any of its Subsidiaries or any of its Affiliates, or (d) a company, investment vehicle or trust for, or owned and operated for the primary benefit of, a natural person or relative(s) thereof.

(iii) Subject to acceptance and recording thereof pursuant to paragraph (b)(iv) of this Section, from and after the effective date specified in each Assignment and Assumption the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.15, 2.16, 2.17 and 9.03). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 9.04 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (c) of this Section.

(iv) The Administrative Agent, acting for this purpose as a non-fiduciary agent of each Borrower, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitment of, and principal amount (and stated interest) of the Loans and LC Disbursements owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive, and the Borrowers, the Administrative Agent, the Issuing Banks

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and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Company, any Issuing Bank and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(v) Upon its receipt of (x) a duly completed Assignment and Assumption executed by an assigning Lender and an assignee or (y) to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to an Approved Electronic Platform as to which the Administrative Agent and the parties to the Assignment and Assumption are participants, the assignee's completed Administrative Questionnaire (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section and any written consent to such assignment required by paragraph (b) of this Section, the Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register; provided that if either the assigning Lender or the assignee shall have failed to make any payment required to be made by it pursuant to 2.06(d) or (e), 2.07(b), 2.18(e) or 9.03(c), the Administrative Agent shall have no obligation to accept such Assignment and Assumption and record the information therein in the Register unless and until such payment shall have been made in full, together with all accrued interest thereon. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(c) Any Lender may, without the consent of, or notice to, any Borrower, the Administrative Agent or the Issuing Banks, sell participations to one or more banks or other entities (a "Participant"), other than an Ineligible Institution, in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans owing to it); provided that (A) such Lender's obligations under this Agreement shall remain unchanged; (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations; and (C) the Borrowers, the Administrative Agent, the Issuing Banks and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first proviso to Section 9.02(b) that affects such Participant. Each Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.15, 2.16 and 2.17 (subject to the requirements and limitations therein, including the requirements under Section 2.17(f) (it being understood that the documentation required under Section 2.17(f) shall be delivered to the participating Lender)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section; provided that such Participant (A) agrees to be subject to the provisions of Sections 2.18 and 2.19 as if it were an assignee under paragraph (b) of this Section; and (B) shall not be entitled to receive any greater payment under Sections 2.15 or 2.17, with respect to any participation, than its participating Lender would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation agrees, at the Company's request and expense, to use reasonable efforts to cooperate with the Company to effectuate the provisions of Section 2.19(b) with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 9.08 as though it were a Lender, provided such Participant agrees to be subject to Section 2.18(d) as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrowers, maintain a register on which it enters the name and address of each Participant and the principal

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amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any Commitments, Loans, Letters of Credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such Commitment, Loan, Letter of Credit or other obligation is in registered form under Section 5f.103-1(c) or Proposed Section 1.163-5(b) of the United States Treasury Regulations (or any amended or successor version). The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(d) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including without limitation any pledge or assignment to secure obligations to a Federal Reserve Bank, and this Section shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

SECTION 9.05 Survival. All covenants, agreements, representations and warranties made by the Loan Parties in the Loan Documents and in the certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of the Loan Documents and the making of any Loans and issuance of any Letters of Credit, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent, any Issuing Bank or any Lender may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loan or any fee or any other amount payable under this Agreement or any other Loan Document is outstanding and unpaid or any Letter of Credit is outstanding and so long as the Commitments have not expired or terminated. The provisions of Sections 2.15, 2.16, 2.17 and 9.03 and Article VIII shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans, the expiration or termination of the Letters of Credit and the Commitments or the termination of this Agreement or any other Loan Document or any provision hereof or thereof.

SECTION 9.06 Counterparts; Integration; Effectiveness; Electronic Execution. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Loan Documents and any separate letter agreements with respect to (i) fees payable to the Administrative Agent and (ii) the reduction of the Letter of Credit Commitment of any Issuing Bank constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page to this Agreement by telecopy, e-mailed .pdf or any other electronic means that reproduces an image of the actual executed signature page shall be effective as delivery

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of a manually executed counterpart of this Agreement. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to any document to be signed in connection with this Agreement and the transactions contemplated hereby shall be deemed to include Electronic Signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

SECTION 9.07 Severability. Any provision of any Loan Document held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions thereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

SECTION 9.08 Right of Setoff. If an Event of Default shall have occurred and be continuing, each Lender and each of its Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final and in whatever currency denominated) at any time held and other obligations at any time owing by such Lender or Affiliate to or for the credit or the account of any Borrower or any Subsidiary Guarantor against any of and all of the Secured Obligations held by such Lender, irrespective of whether or not such Lender shall have made any demand under the Loan Documents and although such obligations may be unmatured. The rights of each Lender under this Section are in addition to other rights and remedies (including other rights of setoff) which such Lender may have. Each Lender and each Issuing Bank agrees to notify the Company and the Administrative Agent promptly after any such setoff and application; provided that the failure to give such notice shall not affect the validity of such setoff and application.

SECTION 9.09 Governing Law; Jurisdiction; Consent to Service of Process. This Agreement shall be construed in accordance with and governed by the law of the State of New York.

(a) Each party to this Agreement hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the United States District Court for the Southern District of New York sitting in the Borough of Manhattan (or if such court lacks subject matter jurisdiction, the Supreme Court of the State of New York sitting in the Borough of Manhattan), and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or any other Loan Document or the transactions relating hereto or thereto, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may (and any such claims, cross-claims or third party claims brought against the Administrative Agent or any of its Related Parties may only) be heard and determined in such Federal (to the extent permitted by law) or New York State court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or any other Loan Document shall affect any right that the Administrative Agent, any Issuing Bank or any Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Loan Document against any Loan Party or its properties in the courts of any jurisdiction.

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(b) Each Borrower hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or any other Loan Document in any court referred to in paragraph (b) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(c) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 9.01. Nothing in this Agreement or any other Loan Document will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

SECTION 9.10 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

SECTION 9.11 Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

SECTION 9.12 Confidentiality. Each of the Administrative Agent, the Issuing Banks and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its and its Affiliates' directors, officers, employees and agents, including accountants, legal counsel and other advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any Governmental Authority (including any self-regulatory authority, such as the National Association of Insurance Commissioners) in which case, the disclosing party agrees, to the extent permitted by law, rule or regulation and reasonably practicable, to promptly inform the Company, except with respect to any audit or examination conducted by bank accountants or any regulatory authorities, (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, provided that the Person required to disclose such information shall, to the extent permitted by law, rule, regulation or subpoena and reasonably practicable, promptly inform the Company, except with respect to any audit or examination conducted by bank accountants or any regulatory authorities, (d) to any other party to this Agreement, (e) in connection with the exercise of any remedies under this Agreement or any other Loan Document or any suit, action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (1) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (2) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to any Borrower and its obligations, (g) on a confidential basis to (1) any rating agency in connection with rating the Company or its Subsidiaries or the credit facilities provided for herein or (2) the CUSIP Service

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Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers with respect to the credit facilities provided for herein, (h) with the consent of the Company or (i) to the extent such Information (1) becomes publicly available other than as a result of a breach of this Section or (2) becomes available to the Administrative Agent, any Issuing Bank or any Lender on a nonconfidential basis from a source other than the Company that is not known by the Administrative Agent, such Issuing Bank or such Lender to be subject to a duty of confidentiality to the Company. For the purposes of this Section, “Information” means all information received from the Company relating to the Company or its business, other than any such information that is available to the Administrative Agent, any Issuing Bank or any Lender on a nonconfidential basis prior to disclosure by the Company and other than information pertaining to this Agreement routinely provided by arrangers to data service providers, including league table providers, that serve the lending industry. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

**EACH LENDER ACKNOWLEDGES THAT INFORMATION AS DEFINED IN THE IMMEDIATELY PRECEDING PARAGRAPH FURNISHED TO IT PURSUANT TO THIS AGREEMENT MAY INCLUDE MATERIAL NON-PUBLIC INFORMATION CONCERNING THE COMPANY AND ITS RELATED PARTIES OR THEIR RESPECTIVE SECURITIES, AND CONFIRMS THAT IT HAS DEVELOPED COMPLIANCE PROCEDURES REGARDING THE USE OF MATERIAL NON-PUBLIC INFORMATION AND THAT IT WILL HANDLE SUCH MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH THOSE PROCEDURES AND APPLICABLE LAW, INCLUDING FEDERAL AND STATE SECURITIES LAWS.**

**ALL INFORMATION, INCLUDING REQUESTS FOR WAIVERS AND AMENDMENTS, FURNISHED BY THE COMPANY OR THE ADMINISTRATIVE AGENT PURSUANT TO, OR IN THE COURSE OF ADMINISTERING, THIS AGREEMENT WILL BE SYNDICATE-LEVEL INFORMATION, WHICH MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION ABOUT THE COMPANY, THE OTHER LOAN PARTIES AND THEIR RELATED PARTIES OR THEIR RESPECTIVE SECURITIES. ACCORDINGLY, EACH LENDER REPRESENTS TO THE COMPANY AND THE ADMINISTRATIVE AGENT THAT IT HAS IDENTIFIED IN ITS ADMINISTRATIVE QUESTIONNAIRE A CREDIT CONTACT WHO MAY RECEIVE INFORMATION THAT MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH ITS COMPLIANCE PROCEDURES AND APPLICABLE LAW.**

SECTION 9.13 USA PATRIOT Act. Each Lender that is subject to the requirements of the Patriot Act hereby notifies each Loan Party that pursuant to the requirements of the Act, it is required to obtain, verify and record information that identifies such Loan Party, which information includes the name and address of such Loan Party and other information that will allow such Lender to identify such Loan Party in accordance with the Patriot Act.

SECTION 9.14 Appointment for Perfection. Each Lender hereby appoints each other Lender as its agent for the purpose of perfecting Liens, for the benefit of the Administrative Agent and the Secured Parties, in assets which, in accordance with Article 9 of the UCC or any other applicable law can be perfected only by possession. Should any Lender (other than the Administrative Agent) obtain possession of any such Collateral, such Lender shall notify the Administrative Agent thereof, and, promptly upon the Administrative Agent’s request therefor shall deliver such Collateral to the Administrative Agent or otherwise deal with such Collateral in accordance with the Administrative Agent’s instructions.

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SECTION 9.15 Releases of Subsidiary Guarantors.

(a) A Subsidiary Guarantor shall automatically be released from its obligations under the Subsidiary Guaranty upon the consummation of any transaction permitted by this Agreement as a result of which such Subsidiary Guarantor ceases to be a Subsidiary; provided that, if so required by this Agreement, the Required Lenders shall have consented to such transaction and the terms of such consent shall not have provided otherwise. In connection with any termination or release pursuant to this Section, the Administrative Agent shall (and is hereby irrevocably authorized by each Lender to) execute and deliver to any Loan Party, at such Loan Party's expense, all documents that such Loan Party shall reasonably request to evidence such termination or release. Any execution and delivery of documents pursuant to this Section shall be without recourse to or warranty by the Administrative Agent.

(b) Further, so long as no Event of Default is then continuing, the Administrative Agent will (and is hereby irrevocably authorized by each Lender to), upon the request of the Company, release any Subsidiary Guarantor from its obligations under the Subsidiary Guaranty if such Subsidiary Guarantor is no longer a Wholly Owned Domestic Subsidiary.

(c) At such time as the principal and interest on the Loans, all LC Disbursements, the fees, expenses and other amounts payable under the Loan Documents and the other Secured Obligations (other than Swap Obligations not yet due and payable, Banking Services Obligations not yet due and payable, Unliquidated Obligations for which no claim has been made and other Obligations expressly stated to survive such payment and termination) shall have been paid in full in cash, the Commitments shall have been terminated and no Letters of Credit shall be outstanding, the Subsidiary Guaranty and all obligations (other than those expressly stated to survive such termination) of each Subsidiary Guarantor thereunder shall automatically terminate, all without delivery of any instrument or performance of any act by any Person.

SECTION 9.16 Interest Rate Limitation. Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Loan, together with all fees, charges and other amounts which are treated as interest on such Loan under applicable law (collectively the "Charges"), shall exceed the maximum lawful rate (the "Maximum Rate") which may be contracted for, charged, taken, received or reserved by the Lender holding such Loan in accordance with applicable law, the rate of interest payable in respect of such Loan hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Charges that would have been payable in respect of such Loan but were not payable as a result of the operation of this Section shall be cumulated and the interest and Charges payable to such Lender in respect of other Loans or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the NYFRB Rate to the date of repayment, shall have been received by such Lender.

SECTION 9.17 No Advisory or Fiduciary Responsibility. Each Borrower acknowledges and agrees, and acknowledges its Subsidiaries' understanding, that no Credit Party will have any obligations except those obligations expressly set forth herein and in the other Loan Documents and each Credit Party is acting solely in the capacity of an arm's length contractual counterparty to any Borrower with respect to the Loan Documents and the transaction contemplated therein and not as a financial advisor or a fiduciary to, or an agent of, any Borrower or any other person. Each Borrower agrees that it will not assert any claim against any Credit Party based on an alleged breach of fiduciary duty by such Credit Party in connection with this Agreement and the transactions contemplated hereby. Additionally, each Borrower acknowledges and agrees that no Credit Party is advising such Borrower as to any legal, tax, investment, accounting, regulatory or any other matters in any jurisdiction. Each Borrower shall consult with its own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal

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of the transactions contemplated hereby, and the Credit Parties shall have no responsibility or liability to such Borrower with respect thereto.

Each Borrower further acknowledges and agrees, and acknowledges its Subsidiaries' understanding, that each Credit Party, together with its Affiliates, is a full service securities or banking firm engaged in securities trading and brokerage activities as well as providing investment banking and other financial services. In the ordinary course of business, any Credit Party may provide investment banking and other financial services to, and/or acquire, hold or sell, for its own accounts and the accounts of customers, equity, debt and other securities and financial instruments (including bank loans and other obligations) of, any Borrower, its Subsidiaries and other companies with which any Borrower or any of its Subsidiaries may have commercial or other relationships. With respect to any securities and/or financial instruments so held by any Credit Party or any of its customers, all rights in respect of such securities and financial instruments, including any voting rights, will be exercised by the holder of the rights, in its sole discretion.

In addition, each Borrower acknowledges and agrees, and acknowledges its Subsidiaries' understanding, that each Credit Party and its Affiliates may be providing debt financing, equity capital or other services (including financial advisory services) to other companies in respect of which any Borrower or any of its Subsidiaries may have conflicting interests regarding the transactions described herein and otherwise. No Credit Party will use confidential information obtained from any Borrower by virtue of the transactions contemplated by the Loan Documents or its other relationships with any Borrower in connection with the performance by such Credit Party of services for other companies, and no Credit Party will furnish any such information to other companies. Each Borrower also acknowledges that no Credit Party has any obligation to use in connection with the transactions contemplated by the Loan Documents, or to furnish to any Borrower or any of its Subsidiaries, confidential information obtained from other companies.

## ARTICLE X

### Cross-Guarantee

In order to induce the Lenders to extend credit to the other Borrowers hereunder, each Borrower hereby irrevocably and unconditionally guarantees, as a primary obligor and not merely as a surety, the payment when and as due of the Secured Obligations of such other Borrowers. Each Borrower further agrees that the due and punctual payment of such Secured Obligations may be extended or renewed, in whole or in part, without notice to or further assent from it, and that it will remain bound upon its guarantee hereunder notwithstanding any such extension or renewal of any such Secured Obligation.

Each Borrower waives presentment to, demand of payment from and protest to any Borrower of any of the Secured Obligations, and also waives notice of acceptance of its obligations and notice of protest for nonpayment. The obligations of each Borrower hereunder shall not be affected by (a) the failure of the Administrative Agent, any Issuing Bank or any Lender to assert any claim or demand or to enforce any right or remedy against any Borrower under the provisions of this Agreement, any other Loan Document or otherwise; (b) any extension or renewal of any of the Secured Obligations; (c) any rescission, waiver, amendment or modification of, or release from, any of the terms or provisions of this Agreement, or any other Loan Document or agreement; (d) any default, failure or delay, willful or otherwise, in the performance of any of the Secured Obligations; (e) the failure of the Administrative Agent to take any steps to perfect and maintain any security interest in, or to preserve any rights to, any security or collateral for the Secured Obligations, if any; (f) any change in the corporate, partnership or other existence, structure or ownership of any Borrower or any other guarantor of any of the Secured Obligations; (g) the enforceability or validity of the Secured Obligations or any part thereof or the genuineness, enforceability or validity of any agreement

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relating thereto or with respect to any collateral securing the Secured Obligations or any part thereof, or any other invalidity or unenforceability relating to or against any Borrower or any other guarantor of any of the Secured Obligations, for any reason related to this Agreement, any Swap Contract, any Banking Services Agreement, any other Loan Document, or any provision of applicable law, decree, order or regulation of any jurisdiction purporting to prohibit the payment by such Borrower or any other guarantor of the Secured Obligations, of any of the Secured Obligations or otherwise affecting any term of any of the Secured Obligations; or (h) any other act, omission or delay to do any other act which may or might in any manner or to any extent vary the risk of such Borrower or otherwise operate as a discharge of a guarantor as a matter of law or equity or which would impair or eliminate any right of such Borrower to subrogation.

Each Borrower further agrees that its agreement hereunder constitutes a guarantee of payment when due (whether or not any bankruptcy or similar proceeding shall have stayed the accrual or collection of any of the Secured Obligations or operated as a discharge thereof) and not merely of collection, and waives any right to require that any resort be had by the Administrative Agent, any Issuing Bank or any Lender to any balance of any deposit account or credit on the books of the Administrative Agent, any Issuing Bank or any Lender in favor of any Borrower or any other Person.

The obligations of each Borrower hereunder shall not be subject to any reduction, limitation, impairment or termination for any reason, and shall not be subject to any defense or set-off, counterclaim, recoupment or termination whatsoever, by reason of the invalidity, illegality or unenforceability of any of the Secured Obligations, any impossibility in the performance of any of the Secured Obligations or otherwise.

Each Borrower further agrees that its obligations hereunder shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of any Secured Obligation (including a payment effected through exercise of a right of setoff) is rescinded, or is or must otherwise be restored or returned by the Administrative Agent, any Issuing Bank or any Lender upon the insolvency, bankruptcy or reorganization of any Borrower or otherwise (including pursuant to any settlement entered into by a Secured Party in its discretion).

In furtherance of the foregoing and not in limitation of any other right which the Administrative Agent, any Issuing Bank or any Lender may have at law or in equity against any Borrower by virtue hereof, upon the failure of any other Borrower to pay any Secured Obligation when and as the same shall become due, whether at maturity, by acceleration, after notice of prepayment or otherwise, each Borrower hereby promises to and will, upon receipt of written demand by the Administrative Agent, any Issuing Bank or any Lender, forthwith pay, or cause to be paid, to the Administrative Agent, any Issuing Bank or any Lender in cash an amount equal to the unpaid principal amount of the Secured Obligations then due, together with accrued and unpaid interest thereon. Each Borrower further agrees that if payment in respect of any Secured Obligation shall be due in a currency other than Dollars and/or at a place of payment other than New York, Chicago or any other Eurocurrency Payment Office and if, by reason of any Change in Law, disruption of currency or foreign exchange markets, war or civil disturbance or other event, payment of such Secured Obligation in such currency or at such place of payment shall be impossible or, in the reasonable judgment of the Administrative Agent, any Issuing Bank or any Lender, disadvantageous to the Administrative Agent, any Issuing Bank or any Lender in any material respect, then, at the election of the Administrative Agent, such Borrower shall make payment of such Secured Obligation in Dollars (based upon the applicable Equivalent Amount in effect on the date of payment) and/or in New York, Chicago or such other Eurocurrency Payment Office as is designated by the Administrative Agent and, as a separate and independent obligation, shall indemnify the Administrative Agent, any Issuing Bank and any Lender against any losses or reasonable out-of-pocket expenses that it shall sustain as a result of such alternative payment.

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The Borrowers agree among themselves that, in connection with payments made hereunder, each Borrower shall have contribution rights against the other Borrowers as permitted under applicable Law. Upon payment by any Borrower of any sums as provided above, all rights of such Borrower against any Borrower arising as a result thereof by way of right of subrogation or otherwise shall in all respects be subordinated and junior in right of payment to the prior indefeasible payment in full in cash of all the Secured Obligations owed by such Borrower to the Administrative Agent, the Issuing Banks and the Lenders.

Each Borrower hereby jointly and severally absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each other Loan Party to honor all of its obligations under this Article X or the Subsidiary Guaranty, as applicable, in respect of Specified Swap Obligations (provided, however, that each Borrower shall only be liable under this paragraph for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this paragraph or otherwise under this Article X voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). Each Borrower intends that this paragraph constitute, and this paragraph shall be deemed to constitute, a “keepwell, support, or other agreement” for the benefit of each other Guarantor for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

Nothing shall discharge or satisfy the liability of any Borrower hereunder except the full performance and payment in cash of the Secured Obligations.

[Signature Pages Follow]

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

DHI GROUP, INC., as the Company and a Borrower

By /S/ Luc Grégoire \_\_\_\_\_  
Name: Luc Grégoire  
Title: Chief Financial Officer

DICE INC., as a Borrower

By /S/ Luc Grégoire \_\_\_\_\_  
Name: Luc Grégoire  
Title: Chief Financial Officer

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DICE CAREER SOLUTIONS, INC., as a Borrower

By /S/ Luc Grégoire  
Name: Luc Grégoire  
Title: Chief Financial Officer

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JPMORGAN CHASE BANK, N.A., individually  
as a Lender, as an Issuing Bank and  
as Administrative Agent

By /S/ Min Park  
Name: Min Park  
Title: Vice President

[OTHER AGENTS, ISSUING BANKS AND LENDERS]

BMO HARRIS BANK N.A., as a Lender and as a Co-Syndication Agent

By /S/ Chad Rock  
Name: Chad Rock  
Title: Managing Director

BANK OF AMERICA, N.A., as a Lender and as a Co-Syndication Agent

By /S/ Daniel J. Ricke  
Name: Daniel J. Ricke  
Title: Vice President

TD BANK, N.A., as a Lender and as Documentation Agent

By /S/ Charles Michael Garrido  
Name: Charles Michael Garrido  
Title: Vice President – Senior Relationship Manager

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The undersigned Departing Lender hereby acknowledges and agrees that, from and after the Effective Date, it is no longer a party to the Existing Credit Agreement or any of the "Loan Documents" (as defined therein) and is not a party to this Agreement other than for the sole purpose of provisions of Section 1.05 expressly applicable to it.

KEYBANK NATIONAL ASSOCIATION

By /S/ Marc Evans \_\_\_\_\_  
Name: Marc Evans  
Title: Vice President

SILICON VALLEY ASSOCIATION

By /S/ Jon Wolter \_\_\_\_\_  
Name: Jon Wolter  
Title: Director

FIRST NIAGARA BANK, N.A.

By /S/ Marc Evans \_\_\_\_\_  
Name: Marc Evans  
Title: Vice President

CAPITAL ONE, NATIONAL ASSOCIATION

By /S/ Seth Meier \_\_\_\_\_  
Name: Seth Meier  
Title: Sr. Director SCHEDULE 2.01A

COMMITMENTS

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LENDER	COMMITMENT
JPMORGAN CHASE BANK, N.A.	\$25,000,000
BMO HARRIS BANK N.A.	\$24,000,000
BANK OF AMERICA, N.A.	\$22,000,000
TD BANK, N.A.	\$19,000,000
<b>AGGREGATE COMMITMENTS</b>	<b>\$90,000,000</b>

SCHEDULE 2.01B

LETTER OF CREDIT COMMITMENTS

LENDER	LETTER OF CREDIT COMMITMENT
JPMORGAN CHASE BANK, N.A.	\$6,800,000
BANK OF AMERICA, N.A.	\$3,400,000

EXHIBIT A

ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (the “Assignment and Assumption”) is dated as of the Effective Date set forth below and is entered into by and between [ *Insert name of Assignor* ] (the “Assignor”) and [ *Insert name of Assignee* ] (the “Assignee”). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of the Assignor’s rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the respective facilities identified below (including any letters of credit and guarantees included in such facilities) and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii) above being referred to herein collectively as the “Assigned Interest”). Such sale and assignment

is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

- 1. Assignor: \_\_\_\_\_
- 2. Assignee: \_\_\_\_\_  
[and is an Affiliate/Approved Fund of [identify Lender]]
- 3. Borrowers: DHI Group, Inc., Dice Inc. and Dice Career Solutions, Inc.
- 4. Administrative Agent: JPMorgan Chase Bank, N.A., as the administrative agent under the Credit Agreement
- 5. Credit Agreement: The Second Amended and Restated Credit Agreement dated as of November 14, 2018 among DHI Group, Inc., Dice Inc. and Dice Career Solutions, Inc., the Lenders parties thereto, JPMorgan Chase Bank, N.A., as Administrative Agent, and the other agents parties thereto
- 6. Assigned Interest:

Aggregate Amount of Commitment/Loans for all Lenders	Amount of Commitment/Loans Assigned	Percentage Assigned of Commitment/Loans
\$	\$	%
\$	\$	%
\$	\$	%

Effective Date: \_\_\_\_\_, 20\_\_ [TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

The Assignee agrees to deliver to the Administrative Agent a completed Administrative Questionnaire in which the Assignee designates one or more credit contacts to whom all syndicate-level information (which may contain material non-public information about the Company, the other Loan Parties and their Related Parties or their respective securities) will be made available and who may receive such information in accordance with the Assignee’s compliance procedures and applicable laws, including federal and state securities laws.

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR  
  
[NAME OF ASSIGNOR]

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

ASSIGNEE

[NAME OF ASSIGNEE]

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

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Consented to and Accepted:

JPMORGAN CHASE BANK, N.A., as Administrative Agent and an Issuing Bank

By: \_\_\_\_\_

Title:

Consented to:

BANK OF AMERICA, N.A., as an Issuing Bank

By: \_\_\_\_\_

Title:

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[Consented to:]

DHI GROUP, INC.

By: \_\_\_\_\_

Title:

ANNEX I

STANDARD TERMS AND CONDITIONS FOR  
ASSIGNMENT AND ASSUMPTION

1. Representations and Warranties.

1.1 Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of the Company, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document, (iv) any requirements under applicable law for the Assignee to become a lender under the Credit Agreement or to charge interest at the rate set forth therein from time to time or (v) the performance or observance by the Company, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Document.

1.2. Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it satisfies the requirements, if any, specified in the Credit Agreement and under applicable law that are required to be satisfied by it in order to acquire the Assigned Interest and become a Lender, (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant to Section 5.01 thereof, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent, any arranger of the credit facilities evidenced by the Credit Agreement or any other Lender and their respective Related Parties, and (v) attached to the Assignment and Assumption is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, any arranger of the credit facilities evidenced by the Credit Agreement, the Assignor or any other Lender and their respective Related Parties, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or

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not taking action under the Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. Payments. From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the Assignee for amounts which have accrued from and after the Effective Date.

3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Acceptance and adoption of the terms of this Assignment and Assumption by the Assignee and the Assignor by Electronic Signature or delivery of an executed counterpart of a signature page of this Assignment and Assumption by any Approved Electronic System shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law of the State of New York.

## EXHIBIT B

### OPINION OF COUNSEL FOR THE LOAN PARTIES

[Attached]

## EXHIBIT C

### FORM OF INCREASING LENDER SUPPLEMENT

INCREASING LENDER SUPPLEMENT, dated \_\_\_\_\_, 20\_\_ (this “Supplement”), by and among each of the signatories hereto, to the Second Amended and Restated Credit Agreement, dated as of November 14, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”), among DHI Group, Inc. (the “Company”), Dice Inc. and Dice Career Solutions, Inc., the Lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity, the “Administrative Agent”).

## WITNESSETH

WHEREAS, pursuant to Section 2.20 of the Credit Agreement, the Company has the right, subject to the terms and conditions thereof, to effectuate from time to time an increase in the aggregate Commitment and/or one or more tranches of Incremental Term Loans under the Credit Agreement by requesting one or more Lenders to increase the amount of its Commitment and/or to participate in such a tranche;

WHEREAS, the Company has given notice to the Administrative Agent of its intention to [increase the Aggregate Commitment] [and] [enter into a tranche of Incremental Term Loans] pursuant to such Section 2.20; and

WHEREAS, pursuant to Section 2.20 of the Credit Agreement, the undersigned Increasing Lender now desires to [increase the amount of its Commitment] [and] [participate in a tranche of Incremental

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Term Loans] under the Credit Agreement by executing and delivering to the Company and the Administrative Agent this Supplement;

NOW, THEREFORE, each of the parties hereto hereby agrees as follows:

1. The undersigned Increasing Lender agrees, subject to the terms and conditions of the Credit Agreement, that on the date of this Supplement it shall [have its Commitment increased by \$[\_\_\_\_\_], thereby making the aggregate amount of its total Commitments equal to \$[\_\_\_\_\_]] [and] [participate in a tranche of Incremental Term Loans with a commitment amount equal to \$[\_\_\_\_\_] with respect thereto].

2. The Company hereby represents and warrants that no Default or Event of Default has occurred and is continuing on and as of the date hereof.

3. Terms defined in the Credit Agreement shall have their defined meanings when used herein.

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

5. This Supplement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same document.

IN WITNESS WHEREOF, each of the undersigned has caused this Supplement to be executed and delivered by a duly authorized officer on the date first above written.

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[INSERT NAME OF INCREASING LENDER]

By: \_\_\_\_\_

Name:

Title:

Accepted and agreed to as of the date first written above:

DHI GROUP, INC.

By: \_\_\_\_\_

Name:

Title:

Acknowledged as of the date first written above:

JPMORGAN CHASE BANK, N.A.

as Administrative Agent

By: \_\_\_\_\_

Name:

Title:

#### EXHIBIT D

#### FORM OF AUGMENTING LENDER SUPPLEMENT

AUGMENTING LENDER SUPPLEMENT, dated \_\_\_\_\_, 20\_\_ (this “Supplement”), to the Second Amended and Restated Credit Agreement, dated as of November 14, 2018 (as amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”), among DHI Group, Inc. (the “Company”), Dice Inc., Dice Career Solutions, Inc., the Lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity, the “Administrative Agent”).

#### WITNESSETH

WHEREAS, the Credit Agreement provides in Section 2.20 thereof that any bank, financial institution or other entity may [extend Commitments] [and] [participate in tranches of Incremental Term Loans] under the Credit Agreement subject to the approval of the Company and the Administrative Agent, by executing and delivering to the Company and the Administrative Agent a supplement to the Credit Agreement in substantially the form of this Supplement; and

WHEREAS, the undersigned Augmenting Lender was not an original party to the Credit Agreement but now desires to become a party thereto;

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NOW, THEREFORE, each of the parties hereto hereby agrees as follows:

1. The undersigned Augmenting Lender agrees to be bound by the provisions of the Credit Agreement and agrees that it shall, on the date of this Supplement, become a Lender for all purposes of the Credit Agreement to the same extent as if originally a party thereto, with a [Commitment of \$[\_\_\_\_\_]] [and] [a commitment with respect to Incremental Term Loans of \$[\_\_\_\_\_]].

2. The undersigned Augmenting Lender (a) represents and warrants that it is legally authorized to enter into this Supplement; (b) confirms that it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant to Section 5.01 thereof, as applicable, and has reviewed such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Supplement; (c) agrees that it will, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement or any other instrument or document furnished pursuant hereto or thereto; (d) appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers and discretion under the Credit Agreement or any other instrument or document furnished pursuant hereto or thereto as are delegated to the Administrative Agent by the terms thereof, together with such powers as are incidental thereto; and (e) agrees that it will be bound by the provisions of the Credit Agreement and will perform in accordance with its terms all the obligations which by the terms of the Credit Agreement are required to be performed by it as a Lender.

3. The undersigned's address for notices for the purposes of the Credit Agreement is as follows:

[\_\_\_\_\_]

4. The Company hereby represents and warrants that no Default or Event of Default has occurred and is continuing on and as of the date hereof.

5. Terms defined in the Credit Agreement shall have their defined meanings when used herein.

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

7. This Supplement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same document.

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IN WITNESS WHEREOF, each of the undersigned has caused this Supplement to be executed and delivered by a duly authorized officer on the date first above written.

[INSERT NAME OF AUGMENTING LENDER]

By: \_\_\_\_\_

Name:

Title:

Accepted and agreed to as of the date first written above:

DHI GROUP, INC.

By: \_\_\_\_\_

Name:

Title:

Acknowledged as of the date first written above:

JPMORGAN CHASE BANK, N.A.

as Administrative Agent

By: \_\_\_\_\_

Name:

Title:

## EXHIBIT E

### LIST OF CLOSING DOCUMENTS

#### **DHI GROUP, INC., DICE INC. and DICE CAREER SOLUTIONS, INC.**

#### **SECOND AMENDED AND RESTATED CREDIT FACILITIES**

November 14, 2018

### LIST OF CLOSING DOCUMENTS

#### **A. LOAN DOCUMENTS**

1. Second Amended and Restated Credit Agreement (the "Credit Agreement") by and among DHI Group, Inc., a Delaware corporation (the "Company"), Dice Inc. ("Dice"), Dice Career Solutions, Inc. ("DCS" and, collectively with the Company and Dice, the "Borrowers"), the institutions from
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time to time parties thereto as Lenders (the “Lenders”) and JPMorgan Chase Bank, N.A., in its capacity as Administrative Agent for itself and the other Lenders (the “Administrative Agent”), evidencing a revolving credit facility to the Borrowers from the Lenders in an aggregate principal amount of \$90,000,000.

#### SCHEDULES

Schedule 2.01A	–	Commitments
Schedule 2.01B	–	Letter of Credit Commitments
<b>Schedule 3.10</b>	–	<b>Insurance</b>
<b>Schedule 3.13</b>	–	<b>Subsidiaries</b>
<b>Schedule 3.17</b>	–	<b>IP Rights</b>
<b>Schedule 3.20(a)</b>	–	<b>Locations of Real Property</b>
<b>Schedule 3.20(b)</b>	–	<b>Locations of Tangible Personal Property</b>
<b>Schedule 3.20(c)</b>	–	<b>Location of Chief Executive Office, Taxpayer Identification Number, Etc.</b>
<b>Schedule 3.20(d)</b>	–	<b>Changes in Legal Name, State of Formation and Structure</b>
<b>Schedule 3.20(e)</b>	–	<b>Deposit and Investment Accounts</b>
<b>Schedule 6.01</b>	–	<b>Liens Existing on the Effective Date</b>
<b>Schedule 6.02</b>	–	<b>Investments Existing on the Effective Date</b>
<b>Schedule 6.03</b>	–	<b>Indebtedness Existing on the Effective Date</b>

#### EXHIBITS

Exhibit A	–	Form of Assignment and Assumption
Exhibit B	–	Form of Opinion of Loan Parties’ Counsel
Exhibit C	–	Form of Increasing Lender Supplement
Exhibit D	–	Form of Augmenting Lender Supplement
Exhibit E	–	List of Closing Documents
Exhibit F	–	Compliance Certificate
Exhibit G-1	–	Form of U.S. Tax Certificate (Non-U.S. Lenders That Are Not Partnerships)
Exhibit G-2	–	Form of U.S. Tax Certificate (Non-U.S. Lenders That Are Partnerships)
Exhibit G-3	–	Form of U.S. Tax Certificate (Non-U.S. Participants That Are Not Partnerships)
Exhibit G-4	–	Form of U.S. Tax Certificate (Non-U.S. Participants That Are Partnerships)
Exhibit H	–	Form of Security Agreement
Exhibit I	–	Form of Subsidiary Guaranty
Exhibit J-1	–	Form of Borrowing Request
Exhibit J-2	–	Form of Interest Election Request

2. Notes executed by the initial Borrowers in favor of each of the Lenders, if any, which has requested a note pursuant to Section 2.10(e) of the Credit Agreement.
-



3. Second Amended and Restated Guaranty executed by the initial Subsidiary Guarantors (collectively with the Borrowers, the “Loan Parties”) in favor of the Administrative Agent
4. Second Amended and Restated Security and Pledge Agreement executed by the Loan Parties in favor of the Administrative Agent, *together with pledged instruments and allonges, stock certificates, stock powers executed in blank, pledge instructions and acknowledgments, as appropriate* .

<i>Schedule 1(b)</i>	–	<i>Pledged Equity</i>
<i>Schedule 2(c)</i>	–	<i>Commercial Tort Claims</i>
<i>Schedule 3(f)</i>	–	<i>Instruments; Documents; Tangible Chattel Paper</i>
Exhibit 4(a)(ii)	–	Irrevocable Stock Power
Exhibit 4(b)(i)	–	Notice of Grant of Security Interest in United States Patents
Exhibit 4(b)(ii)	–	Notice of Grant of Security Interest in United States Trademarks
Exhibit 4(b)(iii)	–	Notice of Grant of Security Interest in United States Copyrights

5. Notice of Grant of Security Interest in United States Trademarks made by certain of the Loan Parties in favor of the Administrative Agent for the benefit of the Secured Parties.

*Schedule 1* – *Trademarks; Trademark Applications*

6. Notice of Grant of Security Interest in United States Copyrights made by certain of the Loan Parties in favor of the Administrative Agent for the benefit of the Secured Parties.

*Schedule 1* – *Copyrights; Copyright Applications*

7. *Certificates of Insurance listing the Administrative Agent as (x) lender loss payee for the property, casualty insurance policies of the initial Loan Parties and (y) additional insured with respect to the liability insurance policies of the initial Loan Parties.*

#### B. UCC DOCUMENTS

8. UCC, tax lien and name variation search reports naming each Loan Party from the appropriate offices in relevant jurisdictions.
9. UCC financing statements naming each Loan Party as debtor and the Administrative Agent as secured party as filed with the appropriate offices in applicable jurisdictions.

#### C. CORPORATE DOCUMENTS

10. *Certificate of the Secretary or an Assistant Secretary of each Loan Party certifying (i) that there have been no changes in the Certificate of Incorporation or other charter document of such Loan Party, as attached thereto and as certified as of a recent date by the Secretary of State (or analogous governmental entity) of the jurisdiction of its organization, since the date of the certification thereof by such governmental entity, (ii) the By-Laws or other applicable organizational document, as attached thereto, of such Loan Party as in effect on the date of such certification, (iii) resolutions of the Board of Directors or other governing body of such Loan Party authorizing*
-

*the execution, delivery and performance of each Loan Document to which it is a party, and (iv) the names and true signatures of the incumbent officers of each Loan Party authorized to sign the Loan Documents to which it is a party, and (in the case of each Borrower) authorized to request a Borrowing or the issuance of a Letter of Credit under the Credit Agreement.*

11. *Good Standing Certificate (or analogous documentation if applicable) for each Loan Party from the Secretary of State (or analogous governmental entity) of the jurisdiction of its organization, to the extent generally available in such jurisdiction.*

D. OPINIONS

12. *Opinion of Moore & Van Allen PLLC, counsel for the Loan Parties.*

E. CLOSING CERTIFICATES AND MISCELLANEOUS

13. *A Certificate signed by the President, a Vice President or a Financial Officer of the Company certifying the following: (i) all of the representations and warranties of the Company set forth in the Credit Agreement are true and correct in all material respects (or in all respects if the applicable representation or warranty is qualified by materiality or Material Adverse Effect), except to the extent that such representation and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date and (ii) no Default or Event of Default has occurred and is then continuing.*

F. POST-CLOSING DOCUMENTS

14. English law pledge agreement in respect of DHI Careers Limited and related instruments.
15. *English law pledge opinion.*
16. *Lender loss payable endorsements and additional insured endorsements in respect of the insurance policies referenced in the insurance certificates delivered pursuant to Item 7 above.*

EXHIBIT F

FORM OF COMPLIANCE CERTIFICATE

For the fiscal quarter ended \_\_\_\_\_, 20\_\_.

I, \_\_\_\_\_, [Title] of DHI GROUP, INC., a Delaware corporation (the “Company”) hereby certify that, to the best of my knowledge and belief, with respect to that certain Second Amended and Restated Credit Agreement dated as of November 14, 2018 (as amended, supplemented or otherwise modified from time to time, the “Credit Agreement”), among the Company, Dice Inc., Dice Career Solutions, Inc., the Lenders from time to time party thereto (collectively with the Company, the “Borrowers”) and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity, the “Administrative Agent”):

- (a) The company-prepared financial statements which accompany this certificate are true and correct in all material respects and have been prepared in accordance with GAAP applied on a consistent basis, subject to changes resulting from normal year-end audit adjustments.
-

(b) Since \_\_\_\_\_ (the date of the last similar certification, or, if none, the Effective Date) no Default or Event of Default has occurred under the Credit Agreement;

[(c) (select one):

Attached hereto are such supplements to Schedules 3.13 (Subsidiaries), 3.17 (IP Rights), 3.20(a) (Locations of Real Property), 3.20(b) (Locations of Tangible Personal Property), 3.20(c) (Location of Chief Executive Office, Taxpayer Identification Number, Etc.), 3.20(d) (Changes in Legal Name, State of Formation and Structure) and 3.20(e) (Deposit and Investment Accounts) of the Credit Agreement, such that, as supplemented, such Schedules are accurate and complete as of the date hereof.

No such supplements are required at this time.]

Delivered herewith are detailed calculations demonstrating compliance by the Loan Parties with the financial covenants contained in Section 6.11 of the Credit Agreement as of the end of the fiscal period referred to above.

This \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_

DHI GROUP, INC., a Delaware corporation

By: \_\_\_\_\_

Name:

Title:

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Attachment to Officer's Certificate

**Computation of Financial Covenants**  
**For the Fiscal Quarter/Fiscal Year ended \_\_\_\_\_, 20\_\_\_\_ (the "Statement Date")**

1. Consolidated Leverage Ratio

(a) Consolidated Funded Indebtedness as of the Statement Date

- (i) all obligations for borrowed money, whether current or long-term (including the Obligations) and all obligations evidenced by bonds, debentures, notes, loan agreements or other similar instruments: \$ \_\_\_\_
  - (ii) all purchase money Indebtedness: \$ \_\_\_\_
  - (iii) the maximum amount available to be drawn under letters of credit (including standby and commercial), bankers' acceptances, bank guaranties, surety bonds and similar instruments, in each case to the extent issued or provided in respect of obligations that constitute Indebtedness: \$ \_\_\_\_
  - (iv) any unreimbursed drawings under letters of credit (including standby and commercial), bankers' acceptances, bank guaranties, surety bonds and similar instruments, in each case to the extent not issued or provided in respect of obligations that constitute Indebtedness: \$ \_\_\_\_
  - (v) all obligations in respect of the deferred purchase price of property or services (other than trade accounts payable in the ordinary course of business): \$ \_\_\_\_
  - (vi) all Attributable Indebtedness: \$ \_\_\_\_
  - (vii) all obligations to purchase, redeem, retire, defease or otherwise make any payment prior to the Maturity Date in respect of any Equity Interests or any warrant, right or option to acquire such Equity Interest, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends: \$ \_\_\_\_
  - (viii) all Guarantees with respect to Indebtedness of the types specified in clauses (i) through (vii) above of another Person: \$ \_\_\_\_
-

- (ix) all Indebtedness of the types referred to in clauses (i) through (viii) above of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which any Loan Party or any Subsidiary is a general partner or joint venturer, except to the extent that Indebtedness is expressly made non-recourse to such Person: \$ \_\_\_
- (x) Consolidated Funded Indebtedness (i)+(ii)+(iii)+(iv)+(v)+(vi)+(vii)+(viii)+(ix) \$ \_\_\_
- (b) Consolidated EBITDA for the four quarter period ending on the Statement Date
- (i) Consolidated Net Income for such period: \$ \_\_\_
- (ii) Consolidated Interest Charges for such period: \$ \_\_\_
- (iii) the provision for federal, state, local and foreign income taxes payable for such period: \$ \_\_\_
- (iv) the amount of depreciation and amortization expense for such period: \$ \_\_\_
- (v) non-cash stock option expenses deducted for the period: \$ \_\_\_
- (vi) losses during such period resulting from the Disposition of any asset of the Company or any Subsidiary outside the ordinary course of business, to the extent permitted by the Credit Agreement: \$ \_\_\_
- (vii) write-off of debt discount and debt issuance costs and commissions, discounts and other similar fees and charges associated with Indebtedness of the Company and its Subsidiaries (including in respect of the Credit Agreement): \$ \_\_\_
- (viii) any non-cash charges, including those associated with impairment and disposal of long lived assets pursuant to Accounting Standards Codification 360: \$ \_\_\_
- (ix) any reasonable transaction related fees and expenses incurred in connection with any equity offering or any other offering of securities by the Company: \$ \_\_\_
- (x) any extraordinary or non-recurring non-cash expenses or losses including, whether or not otherwise includable as a separate item in the statement of such Consolidated Net Income for such period, non-cash losses on sales of assets outside of the ordinary course of business: \$ \_\_\_
-

- (xi) reasonable transaction related fees and expenses incurred by such Person or its Subsidiaries in connection with the transactions contemplated to be consummated under the Credit Agreement on the Effective Date in an aggregate amount not to exceed \$250,000: \$ \_\_\_
- (xii) write-off of non-cash deferred revenue in connection with purchase accounting applied in respect of any Permitted Acquisition (it being understood that such non-cash deferred revenue shall be recognized in such period(s) as it would have been recognized but for such Acquisition): \$ \_\_\_
- (xiii) write-off of non-cash stock compensation expense, if any: \$ \_\_\_
- (xiv) business interruption insurance proceeds to the extent not already included in Consolidated Net Income: \$ \_\_\_
- (xv) non-cash income or gains for such period: \$ \_\_\_
- (xvi) interest income: \$ \_\_\_
- (xvii) any income or gain during such period resulting from the Disposition of any asset of the Company or any Subsidiary outside of the ordinary course of business: \$ \_\_\_
- (xviii) any cash payments made during such period in respect of items described in clauses (viii) or (x) above subsequent to the fiscal quarter in which the relevant non-cash expenses, losses or charges were incurred: \$ \_\_\_\_\_
- (xix) Consolidated EBITDA: (i)+(ii)+(iii)+(iv)+(v)+(vi)+(vii)+(viii)+(ix)+(x)+(xi)+(xii)+(xiii)+(xiv) – (xv) – (xvi) – (xvii) – (xviii) \$ \_\_\_
- (c) Earn-Out EBITDA Adjustment \$ \_\_\_
- (d) Consolidated Leverage Ratio  
 $(a)(x) / ((b)(xix) + (c))$  \_\_\_ to 1.00

Maximum permitted: 2.50 to 1.00

## 2. Interest Coverage Ratio

- (a) Consolidated EBITDA for the four quarter period ending on the Statement Date (see Line 1(b)(xix) above) \$ \_\_\_

- (b) Consolidated Interest Charges for the four quarter period ending on the Statement Date:
- (i) all interest, premium payments, debt discount, fees, charges and related expenses in connection with borrowed money (including capitalized interest) or in connection with the deferred purchase price of assets, in each case to the extent treated as interest in accordance with GAAP: \$ \_\_\_\_
  - (ii) the portion of rent expense with respect to such period under Capital Leases that is treated as interest in accordance with GAAP: \$ \_\_\_\_
  - (iii) Consolidated Interest Charges \$(i)+(ii) \$ \_\_\_\_
- (c) Interest Coverage Ratio (a) / (b)(iii) \_\_\_\_ to 1.00
- Minimum permitted: 3.50 to 1.00

EXHIBIT G-1

[FORM OF]

U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Lenders That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Second Amended and Restated Credit Agreement dated as of November 14, 2018 (as amended, supplemented or otherwise modified from time to time, the “Credit Agreement”), among DHI Group, Inc. (the “Company”), Dice Inc., Dice Career Solutions, Inc., the Lenders from time to time party thereto (collectively with the Company, the “Borrowers”) and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity, the “Administrative Agent”).

Pursuant to the provisions of Section 2.17 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Loan(s) (as well as any promissory note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of any Borrower within the meaning of Section 871(h)(3)(B) of the Code and (iv) it is not a controlled foreign corporation related to any Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Borrowers with a certificate of its non-U.S. Person status on IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrowers and the Administrative Agent and (2) the undersigned shall have at all times furnished the Borrowers and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

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[NAME OF LENDER]

By: \_\_\_\_\_

Name:

Title:

Date: \_\_\_\_\_, 20[ ]

EXHIBIT G-2

[FORM OF]

U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Second Amended and Restated Credit Agreement dated as of November 14, 2018 (as amended, supplemented or otherwise modified from time to time, the “Credit Agreement”), among DHI Group, Inc. (the “Company”), Dice Inc., Dice Career Solutions, Inc., the Lenders from time to time party thereto (collectively with the Company, the “Borrowers”) and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity, the “Administrative Agent”).

Pursuant to the provisions of Section 2.17 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of any Borrower within the meaning of Section 871(h)(3)(B) of the Code, and (iv) it is not a controlled foreign corporation related to any Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with a certificate of its non-U.S. Person status on IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing, and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF PARTICIPANT]

By: \_\_\_\_\_

Name:

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Title:

Date: \_\_\_\_\_, 20[ ]

EXHIBIT G-3

[FORM OF]

U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Participants That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Second Amended and Restated Credit Agreement dated as of November 14, 2018 (as amended, supplemented or otherwise modified from time to time, the “Credit Agreement”), among DHI Group, Inc. (the “Company”), Dice Inc., Dice Career Solutions, Inc., the Lenders from time to time party thereto (collectively with the Company, the “Borrowers”) and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity, the “Administrative Agent”).

Pursuant to the provisions of Section 2.17 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect such participation, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of any Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to any Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF PARTICIPANT]

By: \_\_\_\_\_

Name:

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Title:

Date: \_\_\_\_\_, 20[ ]

EXHIBIT G-4

[FORM OF]

U.S. TAX COMPLIANCE CERTIFICATE

(For Foreign Lenders That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Second Amended and Restated Credit Agreement dated as of November 14, 2018 (as amended, supplemented or otherwise modified from time to time, the “Credit Agreement”), among DHI Group, Inc. (the “Company”), Dice Inc., Dice Career Solutions, Inc., the Lenders from time to time party thereto (collectively with the Company, the “Borrowers”) and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity, the “Administrative Agent”).

Pursuant to the provisions of Section 2.17 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Loan(s) (as well as any promissory note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such Loan(s) (as well as any promissory note(s) evidencing such Loan(s)), (iii) with respect to the extension of credit pursuant to the Credit Agreement or any other Loan Document, neither the undersigned nor any of its direct or indirect partners/members is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of any Borrower within the meaning of Section 871(h)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to any Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Borrowers with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable from each of such partner’s/member’s beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrowers and the Administrative Agent, and (2) the undersigned shall have at all times furnished the Borrowers and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF LENDER]

By: \_\_\_\_\_

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Name:

Title:

Date: \_\_\_\_\_, 20[ ]

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EXHIBIT H  
[FORM OF]  
SECURITY AGREEMENT  
Attached

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EXHIBIT I

[FORM OF]

SUBSIDIARY GUARANTY

Attached

EXHIBIT J-1

FORM OF BORROWING REQUEST

JPMorgan Chase Bank, N.A.,  
as Administrative Agent  
for the Lenders referred to below

[10 South Dearborn  
Chicago, Illinois 60603  
Attention: [\_\_\_\_\_] ]  
Facsimile: [\_\_\_\_\_] ]

With a copy to:

[\_\_\_\_\_] ]  
[\_\_\_\_\_] ]  
Attention: [\_\_\_\_\_] ]  
Facsimile: [\_\_\_\_\_] ]

Re: [Company]

[Date]

Ladies and Gentlemen:

Reference is hereby made to the Second Amended and Restated Credit Agreement dated as of November 14, 2018 (as amended, supplemented or otherwise modified from time to time, the “Credit Agreement”), among DHI Group, Inc. (the “Company”), Dice Inc., Dice Career Solutions, Inc., the Lenders from time to time party thereto (collectively with the Company, the “Borrowers”) and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity, the “Administrative Agent”). Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Credit Agreement. The [undersigned Borrower][Company, on behalf of [Borrower],] hereby gives you notice pursuant to Section 2.03 of the Credit Agreement that it requests a Borrowing under the Credit Agreement, and in that connection the [undersigned Borrower][Company, on behalf of [Borrower],] specifies the following information with respect to such Borrowing requested hereby:

1. Name of Borrower: \_\_\_\_\_
2. Aggregate principal amount of Borrowing: \_\_\_\_\_
3. Date of Borrowing (which shall be a Business Day): \_\_\_\_\_

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4. Type of Borrowing (ABR or Eurocurrency): \_\_\_\_\_
5. Interest Period and the last day thereof (if a Eurocurrency Borrowing): \_\_\_\_\_
6. Agreed Currency: \_\_\_\_\_
7. Location and number of the applicable Borrower's account or any other account agreed upon by the Administrative Agent and such Borrower to which proceeds of Borrowing are to be disbursed: \_\_\_\_\_  
[Signature Page Follows]

The undersigned hereby represents and warrants that the conditions to lending specified in Section[s] [4.01 and] 4.02 of the Credit Agreement are satisfied as of the date hereof.

Very truly yours,  
[COMPANY,  
as the Company]  
[BORROWER,  
as a Borrower]

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

EXHIBIT J-2

FORM OF INTEREST ELECTION REQUEST

JPMorgan Chase Bank, N.A.,  
as Administrative Agent  
for the Lenders referred to below

[10 South Dearborn  
Chicago, Illinois 60603  
Attention: [\_\_\_\_\_] ]  
Facsimile: ([\_\_\_\_]) [\_\_\_\_]-[\_\_\_\_]]

Re: [Company]

[Date]

Ladies and Gentlemen:

Reference is hereby made to the Second Amended and Restated Credit Agreement dated as of November 14, 2018 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among DHI Group, Inc. (the "Company"), Dice Inc., Dice Career Solutions, Inc., the Lenders from time to time party thereto (collectively with the Company, the "Borrowers") and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity, the "Administrative Agent"). Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Credit Agreement. The [undersigned Borrower]

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[Company, on behalf of [Subsidiary Borrower],] hereby gives you notice pursuant to Section 2.08 of the Credit Agreement that it requests to [convert][continue] an existing Borrowing under the Credit Agreement, and in that connection the [undersigned Borrower][Company, on behalf of [Borrower],] specifies the following information with respect to such [conversion][continuation] requested hereby:

- 1. List Borrower, date, Type, principal amount, Agreed Currency and Interest Period (if applicable) of existing Borrowing: \_\_\_\_\_
- 2. Aggregate principal amount of resulting Borrowing: \_\_\_\_\_
- 3. Effective date of interest election (which shall be a Business Day): \_\_\_\_\_
- 4. Type of Borrowing (ABR or Eurocurrency): \_\_\_\_\_
- 5. Interest Period and the last day thereof (if a Eurocurrency Borrowing): \_\_\_\_\_
- 6. Agreed Currency: \_\_\_\_\_

[Signature Page Follows]

Very truly yours,  
[COMPANY,  
as the Company]  
[BORROWER,  
as a Borrower]

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

## EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT and Addendum to Employment Agreement attached hereto (collectively, this "Agreement"), dated as of September 25, 2018, is between Dice, Inc., a Delaware corporation (the "Company"), with its principal place of business at 1040 Avenue of the Americas, New York, New York 10018, and Michelle Marian, an individual, whose address is reflected in the Company's records (the "Employee"), and, solely for the purposes of Sections 1 and 2(b) of the Addendum, DHI Group, Inc. ("Parent").

In consideration of the Company's securing the services of the Employee as the Company's Chief Marketing Officer, and the Employee's undertaking employment with the Company in such position, the Company and the Employee hereby agree to be bound by and comply with the following terms and conditions and agree as follows:

Section 1. At-Will Employment. The Employee acknowledges and agrees that her employment status is that of an employee-at-will and that the Employee's employment may be terminated by the Company or the Employee at any time with or without cause, subject to the terms and conditions in the Addendum to Employment Agreement hereto. The Employee's start date shall be on or about October 22, 2018 (the date on which the Employee actually commences services, the "Employment Commencement Date").

Section 2. Compensation. In consideration of the services to be rendered hereunder, the Employee shall be paid, and the Company shall pay the Employee, in accordance with the Addendum to Employment Agreement attached hereto.

Section 3. Employee Inventions and Ideas.

(a) The Employee will maintain current and adequate written records on the development of, and disclose to the Company, all Inventions (as defined herein). "Inventions" shall mean all ideas, potential marketing and sales relationships, inventions, copyrightable expression, research, plans for products or services, marketing plans, computer software (including, without limitation, source code), computer programs, original works of authorship, characters, know-how, trade secrets, information, data, developments, discoveries, improvements, modifications, technology, algorithms and designs, whether or not subject to patent or copyright protection, made, conceived, expressed, developed, or actually or constructively reduced to practice by the Employee solely or jointly with others during the term of the Employee's employment with the Company, which refer to, are suggested by, or result from any work which the Employee may do during her employment, or from any information obtained from the Company or any affiliate of the Company in the course of her employment by the Company.

(b) All Inventions shall be the exclusive property of the Company, and the Employee acknowledges that all of said Inventions shall be considered as "work made for hire" belonging to the Company. To the extent that any such Inventions, under applicable law, may not be considered work made for hire by the Employee for the



Company, the Employee hereby agrees to assign and, upon its creation, automatically and irrevocably assigns to the Company, without any further consideration, all right, title and interest in and to such materials, including, without limitation, any copyright, other intellectual property rights, moral rights, all contract and licensing rights, and all claims and causes of action of any kind with respect to such materials. The Company shall have the exclusive right to use the Inventions, whether original or derivative, for all purposes without additional compensation to the Employee. At the Company's expense, the Employee will assist the Company in every proper way to perfect the Company's rights in the Inventions and to protect the Inventions throughout the world, including, without limitation, executing in favor of the Company or any designee(s) of the Company patent, copyright, and other applications and assignments relating to the Inventions. The Employee agrees not to challenge the validity of the ownership by the Company or its designee(s) in the Inventions.

(c) Should the Company be unable to secure the Employee's signature on any document necessary to apply for, prosecute, obtain, or enforce any patent, copyright, or other right or protection relating to any Invention, whether due to the Employee's mental or physical incapacity, or any other cause, the Employee hereby irrevocably designates and appoints the Company and each of its duly authorized officers and agents as the Employee's agent and attorney in fact, to act for and in the Employee's behalf and stead and to execute and file any such document, and to do all other lawfully permitted acts to further the prosecution, issuance, and enforcement of patents, copyrights, or other rights or protections with the same force and effect as if executed and delivered by the Employee.

(d) Notwithstanding the Employee's confidentiality obligations set forth in this Agreement, pursuant to the Defend Trade Secrets Act of 2016, the Employee shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that: (A) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. The Employee also understands that if she files a lawsuit for retaliation by the Company for reporting a suspected violation of law, the Employee may disclose the trade secret to her attorney and use the trade secret information in the court proceeding, if the Employee (A) files any document containing the trade secret under seal, and (B) does not disclose the trade secret, except pursuant to court order.

#### Section 4. Proprietary Information.

(a) The Employee will not disclose or use, at any time either during or after the term of employment, any Confidential Information (as herein defined), except (i) at the request of the Company or an affiliate of the Company or (ii) as required in the performance of the Employee's duties hereunder; provided, however, that if the Employee receives a request to disclose Confidential Information pursuant to a deposition, interrogation, request for information or documents in legal proceedings, subpoena, civil investigative demand, governmental or regulatory process or similar

process, (A) the Employee shall promptly notify in writing the Company, and consult with and assist the Company in seeking a protective order or request for other appropriate remedy, (B) in the event that such protective order or remedy is not obtained, or if the Company waives compliance with the terms hereof, the Employee shall disclose only that portion of the Confidential Information which, based on the written advice of the Employee's legal counsel, is legally required to be disclosed and shall exercise reasonable efforts to provide that the receiving person shall agree to treat such Confidential Information as confidential to the extent possible (and permitted under applicable law) in respect of the applicable proceeding or process and, (C) to the extent reasonably practicable, the Company shall be given an opportunity to review the Confidential Information prior to disclosure thereof. "Confidential Information" shall mean all Company proprietary information, technical data, trade secrets, and know-how, including, without limitation, research, product plans, customer lists, customer preferences, marketing plans and strategies, software, development, inventions, discoveries, processes, ideas, formulas, algorithms, technology, designs, drawings, business strategies and financial data and information, including, but not limited to Inventions, whether or not marked as "Confidential." "Confidential Information" shall also mean any and all information received by the Company from customers, vendors and independent contractors of the Company or other third parties subject to a duty to be kept confidential. Notwithstanding the foregoing, "Confidential Information" shall not include information that is or becomes generally known by the public other than by breach of this Agreement by, or other wrongful act of, the Employee.

(b) The Employee hereby acknowledges and agrees that all personal property, including, without limitation, all books, manuals, records, reports, notes, contracts, lists, blueprints, and other documents, or materials, or copies thereof, Confidential Information as defined in Section 4(a) above, and equipment furnished to or prepared by the Employee in the course of or incident to her employment, including, without limitation, records and any other materials pertaining to Inventions, belong to the Company and shall be promptly returned to the Company upon termination of employment (or earlier at the Company's request). Following termination, the Employee will not retain any written or other tangible or electronic material containing any Confidential Information or information pertaining to any Invention.

(c) Notwithstanding any other provision in this Agreement, nothing herein shall (i) prohibit the Employee from reporting to the staff of the SEC possible violations of any law or regulation of the SEC, (ii) prohibit the Employee from making other disclosures to the staff of the SEC that are protected under the whistleblower provisions of any federal securities laws or regulations or (iii) limit the Employee's right to receive an award for information provided to the SEC staff in accordance with the foregoing. The Employee does not need the prior authorizations of the Company to engage in such reports, communications or disclosures and Employee is not required to notify the Company if Employee engages in any such reports, communications or disclosures.

Section 5. Limited Agreement Not to Compete/Solicit/Disparage.

(a) While employed by the Company and for a period of twelve (12) months after the termination of the Employee's employment with the Company, the Employee shall not, directly or indirectly, as an employee, employer, consultant, agent, principal, partner, manager, stockholder, officer, director, or in any other individual or representative capacity, engage, participate or in any way render services or assistance to any business that is competitive with the business of the Company. Notwithstanding the foregoing, the Employee may own less than two percent (2%) of any class of stock or security of any corporation which competes with the Company listed on a national securities exchange.

(b) While employed by the Company and for a period of twelve (12) months after the termination of the Employee's employment with the Company, the Employee shall not, directly or indirectly, solicit for employment or employ any person who was employed by the Company at the time of the Employee's termination from the Company.

(c) The Employee hereby agrees that prior to commencing employment with, or commencing to provide services to, any other person or entity during any period during which the Employee remains subject to any of the covenants set forth in this Section 5, the Employee shall provide such employer with written notice of such provisions of this Agreement (which may be effected by advising such prospective employer of the location of the publicly filed agreements) with a copy of such notice or advice delivered simultaneously to the Company, and the Employee authorizes the Company and any of its affiliates to do the same.

(d) The Employee hereby agrees from the date hereof and at all times following her termination of employment (i) not to participate or engage in any trade or commercial disparagement of the business or operations of the Company or any of its affiliates; and (ii) not to make any disparaging remarks or communications of any type concerning the Company or any of its affiliates or any of the officers, directors, employees, partners, members, managers, shareholders or agents of the Company or any of its affiliates. Nothing in this Section 5 shall prohibit disclosure (x) as may be ordered by any regulatory agency or court or as required by other lawful process, or (y) as may be necessary for the prosecution of claims relating to the performance or enforcement of this Agreement.

Section 6. Company Resources. The Employee may not use any Company equipment for personal purposes (other than incidental personal use) without written permission from the Company. The Employee may not unreasonably give access to the Company's offices or files to any person not in the employ of the Company without written permission of the Company.

Section 7. Post-Termination Period. Because of the difficulty of establishing when any idea, process or invention is first conceived or developed by the Employee, or whether it results from access to Confidential Information or the Company's equipment,

facilities, and data, the Employee agrees that any idea, invention, research, plan for products or services, marketing plan, computer software (including, without limitation, source code), computer program, original work of authorship, character, know-how, trade secret, information, data, developments, discoveries, technology, algorithm, design, patent or copyright, or any improvement, rights, or claims relating to the foregoing, shall be presumed to be an Invention if it is conceived, developed, used, sold, exploited or reduced to practice by the Employee or with the aid of the Employee within one (1) year after termination of employment. The Employee can rebut the above presumption if she proves that the idea, process or invention (i) was first conceived or developed after termination of employment, (ii) was conceived or developed entirely on the Employee's own time without using the Company's equipment, supplies, facilities, personnel or Confidential Information, and (iii) did not result from or is not derived directly or indirectly, from any work performed by the Employee for the Company or from work performed by another employee of the Company to which the Employee had access.

Section 8. Injunctive Relief. The Employee agrees that the remedy at law for any breach of the provisions of Sections 3, 4 or 5 of this Agreement shall be inadequate, the Company will suffer immediate and irreparable harm, and the Company shall be entitled to injunctive relief in addition to any other remedy at law which the Company may have.

Section 9. Severability. In the event any of the provisions of this Agreement shall be held by a court or other tribunal of competent jurisdiction to be unenforceable, the other provisions of this Agreement shall remain in full force and effect.

Section 10. Survival. Sections 3, 4, 5, 7, 8, 12, 13 and 14 of this Agreement and Sections 3, 4 and 5 of the Addendum shall survive the termination of this Agreement.

Section 11. Representations and Warranties. The Employee represents and warrants that (i) the Employee has the full right, authority and capacity to enter into this Agreement and perform her obligations hereunder, (ii) the Employee is not under any obligation to any third party which conflicts with, prevents, restricts or otherwise could interfere with the Employee's performance under this Agreement, and (iii) the execution and delivery of this Agreement by the Employee shall not result in any breach or violation of, or a default under, any existing obligation, commitment or agreement to which the Employee is subject (including but not limited to any agreement not to disclose any proprietary information) including, without limitation, that of former employers; provided that notwithstanding the foregoing, in the event that the Employee determines that an action which the Company requests her to pursue (other than the entry into this Agreement and the commencement of employment with the Company) would cause her to violate any such agreement, so informs the Company, and the Company instructs her to proceed with such action, the Employee's proceeding with such action shall not be deemed to be a violation of this representation and warranty.

Section 12. Governing Law; Venue; Waiver of Trial by Jury.

(a) This Agreement shall be deemed to be made in the State of New York, and the validity, interpretation, construction and performance of this Agreement in all respects shall be governed by the laws of the State of New York without regard to its principles of conflicts of law. No provision of this Agreement or any related document will be construed against or interpreted to the disadvantage of any party hereto by any court or other governmental or judicial authority by reason of such party having or being deemed to have structured or drafted such provision. The Employee acknowledges and agrees that the Employee was represented by counsel and has expressly agreed to the provisions in this Agreement, including without limitation this Section 12.

(b) The Employee and the Company each hereby irrevocably submits to the exclusive jurisdiction of the federal courts located in the City and County of Denver, Colorado (or, if subject matter jurisdiction in that court is not available, in any state court located within the City and County of Denver, Colorado) over any dispute arising out of or relating to this Agreement. The parties undertake not to commence any suit, action or proceeding arising out of or relating to this Agreement in a forum other than a forum described in this Section 12(b); provided, however, that nothing herein shall preclude a party from bringing any suit, action or proceeding in any other court for the purposes of enforcing the provisions of this Section 12(b) or enforcing any judgment obtained by the Company. The agreement of the parties to the forum described in this Section 12 is independent of the law that may be applied in any suit, action, or proceeding and the parties agree to such forum even if such forum may under applicable law choose to apply non-forum law. The parties hereby waive, to the fullest extent permitted by applicable law, any objection which they now or hereafter have to personal jurisdiction or to the laying of venue of any such suit, action or proceeding brought in an applicable court described in this Section 12(b), and the parties agree that they shall not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court. The parties agree that, to the fullest extent permitted by applicable law, a final and non-appealable judgment in any suit, action or proceeding brought in any applicable court described in this Section 12 shall be conclusive and binding upon the parties and may be enforced in any other jurisdiction.

(c) Each party hereto hereby waives, to the fullest extent permitted by applicable law, any right it may have to a trial by jury in respect of any suit, action or proceeding arising out of or relating to this Agreement. Each party hereto (i) certifies that no representative, agent or attorney of any other party has represented, expressly or otherwise, that such party would not, in the event of any action, suit or proceeding, seek to enforce the foregoing waiver and (ii) acknowledges that it and the other party hereto has been induced to enter into this Agreement by, among other things, the mutual waiver and certifications in this Section 12. Each party shall bear its own costs and expenses (including reasonable attorneys' fees and expenses) incurred in connection with any dispute arising out of or relating to this Agreement (except to the extent that a court orders one of the parties to pay the fees, costs and expenses of the other party).

Section 13. General. This Agreement supersedes and replaces any existing agreement between the Employee and the Company relating generally to the same subject matter, and may be modified only in a writing signed by the parties hereto. Failure to

enforce any provision of this Agreement shall not constitute a waiver of any term herein. This Agreement contains the entire agreement between the parties with respect to the subject matter herein. The Employee agrees that she will not assign, transfer, or otherwise dispose of, whether voluntarily or involuntarily, or by operation of law, any rights or obligations under this Agreement. Any purported assignment, transfer, or disposition in violation of this Section 13 shall be null and void. Nothing contained in this Agreement shall prevent the consolidation of the Company with, or its merger into, any other corporation, or the sale by the Company of all or substantially all of its properties or assets, or the assignment by the Company of this Agreement and the performance of its obligations hereunder. Subject to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the parties and their respective heirs, legal representatives, successors, and permitted assigns, and shall not benefit any person or entity other than those enumerated.

Section 14. Notices. Any notice, request, claim, demand, document, and other communication hereunder to any party hereto shall be effective upon receipt (or refusal of receipt) and shall be in writing and delivered personally or sent by telex, telecopy, or sent by nationally recognized overnight courier, or certified or registered mail, postage prepaid, to the following address (or at any other address as any party hereto shall have specified by notice in writing to the other party hereto):

(a) If to the Company:

Dice Inc.  
1040 Avenue of the Americas  
New York, New York 10018  
Attention: General Counsel

and

If to the Employee, at her most recent address on the payroll records of the Company.

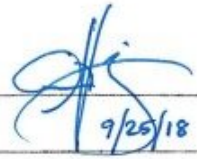
Section 15. Employee Acknowledgment. The Employee acknowledges (i) that she has consulted with or has had the opportunity to consult with independent counsel of her own choice concerning this Agreement and has been advised to do so by the Company, and (ii) that she has read and understands this Agreement, is fully aware of its legal effect, and has entered into it freely based on her own judgment.

IN WITNESS WHEREOF, the parties hereto have executed this Employment Agreement effective this 25<sup>th</sup> day of September, 2018.

DICE INC.

Sign: \_\_\_\_\_

Date: \_\_\_\_\_



9/25/18

EMPLOYEE

Sign: \_\_\_\_\_

Date: \_\_\_\_\_

Michelle Marian  
September 25<sup>th</sup>, 2018

Solely for the purposes of Sections 1 and 2(b) of the Addendum

DHI GROUP, INC.

Sign: \_\_\_\_\_

Date: \_\_\_\_\_



9/25/18

**Addendum to Employment Agreement – Michelle Marian (the “Employee”)**

Section 1. Title and Job Description. The Employee shall be employed on a full-time basis, as the Chief Marketing Officer of the Company. In such capacity, the Employee shall be responsible for such duties and any other responsibilities as are customary for such position and such duties as may reasonably assigned by the Board of Directors of Parent (the “Board”) from time to time. The Employee shall report to the Chief Executive Officer of the Company. The Employee shall perform her duties and responsibilities in, and the principal office at which the Employee is employed shall be, the Company’s offices in Centennial, Colorado and at such other location(s) to which the Company may reasonably require the Employee to travel for Company business purposes.

Section 2. Compensation.

(a) In consideration of the services to be rendered hereunder: the Employee shall be paid an annual base salary of \$280,000 per year (prorated for calendar year 2018) plus an annual bonus (the “Annual Bonus”) targeted at 40% of the Employee’s then-current annual base salary, determined in accordance with the terms of the Senior Bonus Plan (or any successor annual cash bonus plan applicable to the other senior executives of the Company). The calculation of the 2018 Annual Bonus will be prorated based on an additional seven (7) months of compensation; provided, however, that if the Employee voluntarily leaves the Company or is terminated for Cause within one year of the Employee Commencement Date, the Employee will repay the seven (7) month credited portion of the Annual Bonus within thirty (30) days of the last day of the Employee’s employment. Any Annual Bonus compensation payable to the Employee shall be payable at the same time as annual bonuses are payable generally to the other senior executives of the Company, but in any event by March 15 of the calendar year following the calendar year to which such Annual Bonus relates, subject to the condition that the Employee remain employed by the Company through the applicable payment date, and has not resigned (or given notice of such resignation), or been terminated for Cause.

(b) Subject to approval by the Compensation Committee of the Board (the “Compensation Committee”), the Employee shall be entitled to receive, on the next Parent award grant date following the Employment Commencement Date, a grant of shares of restricted common stock of Parent (“Restricted Stock”), valued at \$200,000 based on the closing price of Parent’s common stock on the date of grant, which shall vest in four substantially equal annual installments commencing on the first anniversary of the date of grant, subject to the Employee’s continued employment through each such vesting date. The Restricted Stock grant described in this Section 2(b) will be made under the Company’s 2012 Omnibus Equity Award Plan (the “Plan”) subject to and in accordance with the terms and conditions of the Plan and the applicable award agreement.

(c) The Employee shall be eligible for all employee benefits under the Company’s benefit plans in effect from time to time, including health, life, dental, vision,



short-term disability, and 401(k) Plan, in accordance with the terms and conditions of those benefit plans. The Employee shall be entitled to 25 vacation days annually, including Company designated holidays, and five (5) sick days per year, consistent with Company policy (prorated during the Employee's first calendar year of employment based on the Employment Commencement Date).

(d) The Employee's compensation shall be reviewed on at least an annual basis, with the first such review occurring on the Company's annual compensation review date in 2020. The Employee's base salary, as increased from time to time, may not be decreased without the Employee's prior written consent.

(e) The Company shall pay or shall reimburse the Employee for the Employee's reasonable business expenses incurred by the Employee in carrying out the Employee's duties under this Agreement that are documented in accordance with applicable Company policy.

(f) For purposes of this Agreement only, "Cause" shall mean (i) embezzlement by the Employee, (ii) misappropriation by the Employee of funds of the Company, (iii) conviction of a felony, (iv) commission of any other act of dishonesty which causes material economic harm to the Company, (v) acts of fraud or deceit by the Employee which causes material economic harm to the Company, (vi) material breach of any provision of this Agreement by the Employee, (vii) willful failure by the Employee to substantially perform such Employee's duties hereunder, (viii) willful breach of fiduciary duty by the Employee to the Company involving personal profit or (ix) significant violation of Company policy of which the Employee is made aware (or such Employee should reasonably be expected to be aware) or other contractual, statutory or common law duties to the Company.

### Section 3. Termination of Employment.

(a) Upon termination of the Employee's employment for any reason, this Agreement shall terminate (and the Company shall not have any obligation to provide any compensation or benefits to the Employee, except as required by law). Upon termination of the Employee's employment for any reason, whether voluntarily or involuntarily, the Employee shall be deemed to have resigned from all positions, directorships, and memberships held with the Company or any of its affiliates, whether as an employee, officer, director, trustee, consultant, or otherwise, and such resignations shall be effective upon such termination of employment without any other action required by the Employee. The Employee hereby agrees to execute all documentation reasonably requested by the Company to effectuate the foregoing, or otherwise authorizes the officers of the Company to execute all such documentation on his/her behalf.

(b) The Employee agrees that upon reasonable notice and without any requirement that the Company obtain a subpoena or court order, the Employee shall provide reasonable cooperation in connection with any suit, action, or proceeding and any investigation or defense of any claims asserted against the Company or any of its affiliates, in either case that relates to events occurring during the Employee's

employment with the Company as to which the Employee may have relevant information (including but not limited to furnishing relevant information and materials to the Company or its designee or providing testimony at depositions and at trial).

Section 4. Withholding Taxes. All amounts payable hereunder shall be subject to and paid net of all required withholding taxes.

Section 5. Compliance with Section 409A; 280G.

(a) It is intended that the payments and benefits provided under this Addendum shall be exempt from or compliant with the application of the requirements of Section 409A ("Section 409A") of the Internal Revenue Code of 1986, as amended (the "Code"). This Addendum shall be construed, administered, and governed in a manner that effects such intent, and the Company shall not take any action that would be inconsistent with such intent. Specifically, any amounts payable hereunder are intended to constitute separate payments for purposes of Section 409A and thus be exempt from application of Section 409A to the greatest extent possible, including by reason of the "short-term deferral" rule. In no event whatsoever shall the Company or any of its affiliates be liable for any additional tax, interest, or penalties that may be imposed on the Employee as a result of Section 409A or any damages for failing to comply with Section 409A.

(b) Notwithstanding anything to the contrary in this Agreement, if the Employee is a "specified employee," as determined under the Company's policy for determining specified employees on the date on which the Employee's employment terminates, all payments or benefits provided hereunder that for any reason constitute a "deferral of compensation" within the meaning of Section 409A, that are provided upon a "separation from service" within the meaning of Section 409A and that would otherwise be paid or provided during the first six months following such date of termination, shall instead be accumulated through and paid or provided (without interest) on the first business day following the six (6) month anniversary of such date of termination. Notwithstanding the foregoing, payments delayed pursuant to this Section 5(b) shall commence within 10 calendar days following the Employee's death prior to the end of the six month period. Reimbursement of any eligible expenses shall be made in accordance with the Company's policies and practices and as otherwise provided herein, provided, that, in no event shall reimbursement be made after the last day of the year following the year in which the expense was incurred. The right to reimbursement is not subject to liquidation or exchange for another benefit. The amount of expenses reimbursed in one year shall not affect the amount eligible for reimbursement in any subsequent year. The amount of any in-kind benefits provided in one year shall not affect the amount of in-kind benefits provided in any other year.

(c) If any amounts or benefits to be paid or provided under this Agreement or otherwise would cause payments or benefits (or other compensation) to not be fully deductible by the Company for federal income tax purposes because of Section 280G of the Code, or any successor provision thereto (or that would subject the Employee to the excise tax imposed by Section 4999 of the Code, or any successor

provision thereto), such payments and benefits (and other compensation) will be reduced to the extent necessary such that no portion of such payments or benefits (or other compensation) will be subject to the excise tax imposed by Section 4999 of the Code, or any successor provision thereto; provided, that such a reduction will be made only if, by reason of such reduction, the Employee's net after-tax benefit exceeds the net after-tax benefit the Employee would realize if such reduction were not made. The determination of whether any such payments or benefits to be provided under this Agreement or otherwise would not be so deductible (or whether the Employee would be subject to such excise tax) shall be made by a firm of independent accountants or a law firm selected by the Board. If such payments are reduced pursuant to the foregoing, they will be reduced in the following order: first, by reducing any cash severance payments and then by reducing any other payments and benefits due to the Employee that constitute a "parachute payment" for purposes of Section 280G of the Code, with any cash payments being reduced first before any non-cash payments in inverse order from the last date of payment and all amounts that are not subject to calculation under Treas. Reg. §1.280G-1, Q&A-24(b) or (c) being reduced before any amounts that are subject to calculation under Treas. Reg. §1.280G-1, Q&A-24(b) or (c). Notwithstanding the foregoing, to the extent the parties agree that any of the foregoing amounts are not parachute payments, such amounts shall not be reduced.

Section 6. Exclusion from Inventions.

It is understood that Employee developed certain rights in and to the Safeway "Just 4 U" patent application prior to becoming an employee of the Company and that any and all such rights shall not be expressly excluded from the definition of "Inventions" in Section 3(a) of the Agreement.



## SUBSIDIARIES

<b>Subsidiary</b>	<b>Jurisdiction of Incorporation</b>
Dice Inc.	Delaware
eFinancialCareers, Inc.	Delaware
eFinancialCareers Limited	United Kingdom
Dice Career Solutions, Inc.	Delaware
Hay Holdings Limited	British Virgin Islands
eFinancial Careers Pte. Ltd.	Singapore
eFinancialCareers (Australia) Pty Limited	Australia
Targeted Job Fairs, Inc.	Delaware
Rigzone.com, Inc.	Texas
DHI Gulf FZ-LLC	Dubai
DHI Careers Limited	United Kingdom
WorkDigital Limited	United Kingdom
eFinancialCareers (Beijing) Company Limited	China
onTargetJobs Canada, Inc.	British Columbia
Dice Careers Limited	United Kingdom
eFinancialCareers GmbH (formerly known as Dice Careers GmbH)	Germany
Rigzone Pty Limited	Australia

**CEO CERTIFICATION  
PURSUANT TO SECTION 302 OF THE  
SARBANES – OXLEY ACT OF 2002**

I, Art Zeile, certify that:

1. I have reviewed the annual report on Form 10-K of DHI Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared; and
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for the external purposes in accordance with generally accepted accounting principles; and
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 7, 2019

By: /s/ Art Zeile  
Art Zeile  
Chief Executive Officer  
DHI Group, Inc.

**CFO CERTIFICATION  
PURSUANT TO SECTION 302 OF THE  
SARBANES – OXLEY ACT OF 2002**

I, Luc Grégoire, certify that:

1. I have reviewed the annual report on Form 10-K of DHI Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared; and
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for the external purposes in accordance with generally accepted accounting principles; and
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 7, 2019

By: /s/ Luc Grégoire  
Luc Grégoire  
Chief Financial Officer  
DHI Group, Inc.

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

In connection with the Annual Report of DHI Group, Inc. (the “Company”) on Form 10-K for the period ending December 31, 2018 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Art Zeile, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

February 7, 2019

/s/ Art Zeile

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Art Zeile

Chief Executive Officer

DHI Group, Inc.



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

In connection with the Annual Report of DHI Group, Inc. (the “Company”) on Form 10-K for the period ending December 31, 2018 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Luc Grégoire, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

February 7, 2019

/s/ Luc Grégoire

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Luc Grégoire  
Chief Financial Officer  
DHI Group, Inc.